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22 April 1983

WEST EUROPE REPORT

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ICTO SPOKESMAN ON PEACE MOVEMENT, NUCLEAR ARMS

Rotterdam NRC HANDELSBLAD in Dutch 21 Mar 83 p 3

[Interview with economist, R. Jobse, spokesman for ICTO [Interchurch Committee for Bilateral Disarmament] by our religious editor, Frits Groeneveld: "ICTO quietly waits its chance in the next elections": date and place not given.]

[Text] Leeuwarden, 21 March--"If the government should make the decision this year not to allow cruise missiles in the Netherlands, which we would object to, then we will take no action against that. We then will not call for civil disobedience, but will wait quietly for our chances in the next elections."

That is said by the 49 year old economist, doctoral candidate, R. Jobse, a former professional soldier, who acts as spokesman of ICTO which calls itself a peace movement, located in Bergen, North Holland. Roger Jobse is a member of the Reformed Church, is a church educational work representative in North Friesland and belongs to the reformed synod's delegation for studying the war problem. That synod decided last November to also recognize ICTO besides the IKV [Interchurch Peace Council] as an interchurch peace organization, mainly to pour oil on the troubled waters of church polarization.

In conversation with Jobse, it is clear that he does not speak for the Reformed Church, but exclusively in the name of his organization, which not only thinks the nuclear armament must be reduced through negotiation, but also that the Dutch government must protect our constitutional state against the possibility of a Marxist-Leninist dictatorship. Jobse points out that ICTO since 1978--as a reaction to the IKV Campaign "Help nuclear weapons out of the world; to begin with out of the Netherlands"--has grown rapidly. At the beginning of 1981, the association still had only 500 members; in 1982 there were 2,500 in 40 branches and now about 6,000 in over 60 local branches.

[Question] Does ICTO think the possession of nuclear weapons is ethically responsible?

[Answer] Since the goal of the NATO alliance is to serve peace, that is to prevent war, then it is certainly ethical for the government to include nuclear weapons in the weapons package. As long as it was a question in history of only small border conflicts between states, such weapons of mass destruction were not necessary.

Now, however, it involves a struggle between ideologies, conflicts between systems, then you must maintain deterrence. It would be very destabilizing, if one side would be weakened by eliminating nuclear weapons.

Fan Club

[Question] May we describe ICTO as a NATO fan club?

[Answer] That sounds too political to me, but I may certainly say that we consider NATO policy especially justified. It is often said that we do not have any vision of our own; that is too simple an accusation. Our vision is that which in parliamentary democracy is expressed in the policy which the government conducts. We consider that policy as the most responsible form of war prevention.

What binds people together in ICTO is not a special Christian conviction; we do not have any peace theology, we are involved in a practical political decision. It is naturally excellent that the churches point out the conflict between weapons of mass destruction and the preservation of certain values, but the church cannot point out a specific Christian way to peace.

As regards peace in the Bible--I cannot indicate any special texts for that--it involves peace as justice in society, order and law, for which the government, which must keep evil under control, has a special duty.

Some Christians say that loyalty to their beliefs demands that they fundamentally reject the present security system of nuclear weapons. I also think that you must attempt to eliminate the horrible aspects of nuclear armament. But as Christians, you must be extremely careful, for if you follow the specific way which the IKV points out, you run the chance of causing even more injustice in the world; that is certainly not the duty of Christians, consequently I do not choose that way.

Banned Weapons

At the beginning of the fifties, when as he said there still was no discussion of the problem of nuclear weapons, Roger Jobse was taking officer training at the KMA [Royal Military Academy] in Breda. Jobse considers completely justified the fact that the United States produced the first atomic bomb in the Second World War, in view of the fact that the Americans had suspicions that the Germans were already working in that direction.

At the KMA, officer candidate, Jobse, was also instructed in the international law of war, which forbids the use of certain weapons, such as the dum dum bullet and chemical warfare gases.

To the question whether nuclear weapons should be included in the category of unlawful weapons, Jobse answers that he does not see the point in that because a nuclear weapons ban only would be a question of words, in view of the fact that the international legal system offers no opportunity to compel the observance of such a ban. As long as the international legal system is still extremely weak, you must have adequate defense, Jobse thinks: nuclear deterrence then fits in very well with the defense concept for the interim period in which international law must develop.

No First Use

Jobse thinks it is right if the churches want to consider armament in a council such as the IKV, but then such a council may not become a political action group, which dictates policy for the churches.

In order to get ICTO supporters to be taken seriously by the churches and not be treated as lesser, second rate Christians, ICTO is ignoring all churches connected with the IKV. The reformed synod already recognized it partly last year as equal to the IKV. Conversations are in progress with other religious denominations.

Jobse expects that the Catholic bishops, certainly after the recent problems between the CDA [Christian Democratic Appeal], and the IKV, in their pastoral letter about nuclear armament, which probably will appear in May 1983, will allow much latitude for church members who do not feel attracted to the IKV.

Temporary Weakening

In the CDA's disassociation from the antinuclear weapons demonstration, which the IKV and six other peace organizations are

organizing in the coming fall, Jobse only sees a temporary weakening of the peace movement, with which he has strained relations. According to him, it certainly was "worth the gamble" for the IKV to try to persuade the CDA to join it, but now that it has not succeeded, unity will be restored quickly, so that they can again support grim slogans.

As regards the damned cruise missiles, Jobse says that he can very well imagine that the result of the negotiations in Geneva will be so disappointing that, it will be necessary at least to proceed with the partial stationing of cruise missiles. Moreover he points out that the politicians, who bear the responsibility, often act more ethically than (atomic) pacifists and also that through the stationing of however many new nuclear weapons, NATO's political unity will be preserved.

8490

CSO: 3614/82

LABOR-PARTY ORGAN COMMENTATOR DEFENDS SOCIALIST TF STAND

Oslo ARBEIDERBLADET in Norwegian 24 Mar 83 p 6

[Commentary by Oivind Nielsen]

[Text] We learned in yesterday's issue of AFTENPOSTEN that the Labor Party "with Andropov as its guiding star" is abandoning NATO solidarity. Lagting President Thor Knudsen of the Conservatives was not above drawing that conclusion--in a big headline on the second page of the paper.

There is another interesting headline a few pages further back in the newspaper. It says that Prime Minister Kare Willoch has now advocated a new American initiative in the missile negotiations in Geneva. And he said so to American Undersecretary of State Kenneth W. Dam on his visit to Oslo.

Interesting

Now of course no one should suspect--or accuse--the prime minister of having backed the Labor Party's arms reduction policy and that therefore "with Andropov as his guiding star" he is abandoning NATO solidarity. But even so, this represents an interesting relaxation of what we have heard before--from Foreign Minister Sverre Strøm in Storting a few days ago, among others. The need to soften up the negotiation positions in Geneva has been a vital factor in the Labor Party's involvement in this issue.

However it cannot be denied that the Labor Party has had to pay for its involvement in the missile issue--with the help of AFTENPOSTEN's and the Conservative Party's vulgar propaganda. Although there can be justifiable differences of opinion concerning the strength of the shifts in the three independent opinion polls that have now been presented, it seems clear that some of the public has reacted negatively. At the same time the Conservative Party displays an almost amazing degree of stability--despite all the fuss about Willoch's extra pay and rising unemployment.

Weakness

Thus the party's handling of the missile issue has not been an undivided success with respect to public opinion. The most striking weakness is that it has not been sufficiently clever and consistent at pointing out that the so-called missile suspension is aimed at both sides negotiating in Geneva. This may have created fertile soil for the idea that all the demands are aimed at the United States, indicating a corresponding naivety about the role of the Soviet Union.

That gives AFTENPOSTEN an excuse to write that "people are starting to feel deeply uneasy about the Labor Party's desertion of the security policy that has secured peace since 1949 in our part of the world." The level of the debate is reminiscent--although there is otherwise no similarity--of what we experienced during the first phase of the abortion debate. But the Labor Party won over public opinion in that debate--in the long run.

6578

CSO: 3639/95

CONSERVATIVE PARTY HITS PALME NUCLEAR-FREEZE PROPOSALS

Stockholm DAGENS NYHETER in Swedish 15 Mar 83 p 6

[Article by Sven Svensson]

[Text] We stand by our demand for a freeze on nuclear weapons at their present levels. So say Olof Palme, Thorbjorn Falldin, and Ola Ullsten as they approach the foreign policy debate in Parliament on Wednesday.

The resolution on a freeze is directed primarily at NATO's plans to deploy nearly 600 medium-range missiles in various West European countries before the end of the year.

The "nuclear-weapons freeze" is leading to a conflict with the Conservative Party. In a motion submitted to Parliament, the Conservatives have explained that freezing nuclear weapons at their present levels is misdirected and harmful to the negotiations now underway in Geneva. The Conservatives feel that it is impossible to separate nuclear weapons from the conventional military balance in Europe.

During the special UN session on disarmament in the summer of 1982, Falldin's and Ullsten's middle-party government called for freezing nuclear weapons at their present levels. The demand was presented at that time without any protest from the Conservatives.

UN Initiative

In November of last year, the Social Democratic government supported a Swedish-Mexican initiative in the United Nations calling for a 5-year freeze on nuclear weapons. The Soviet Union had previously refused to accept a period of more than 3 years for an agreement on a test ban.

The resolution was accepted, with 103 votes in favor, 17 opposed, and 6 abstentions.

The neutral countries Finland and Austria voted for the resolution, but Norway under Kare Willoch's Conservative government voted against it on the grounds that a freeze would preserve the prevailing balance of power in the Soviet Union's favor.

The background to that argument was that the Soviet Union has already deployed its SS-20 missiles, while NATO's Pershing missiles are to be deployed before the end of this year.

The Danish Government abstained.

During Parliament's foreign policy debate, the party leaders will call attention to the nuclear freeze. The minister of foreign affairs normally conducts the debate on the government's behalf, but Palme plans to go up after the party leaders speak. If so, he will touch on what he calls the conditions for Sweden's neutrality policy.

Palme told DAGENS NYHETER: "For the moment, the government has no plans to make any move concerning the freeze on nuclear weapons. That debate is going on primarily in the United States, where not only leading Democrats but also many conservatives support the freeze. This means that there is a tremendous wave of public opinion in the United States in favor of a freeze and that it has support from broad strata of society."

Even during the special UN session on disarmament, Sweden supported the idea of a freeze, and the Conservative assertion, in the Swedish Parliament and elsewhere, that Sweden was supporting a Soviet viewpoint is ridiculous, says Palme.

Palme says that West German Chancellor Helmut Kohl is now talking about postponing the deployment of NATO's nuclear missiles. This shows that he is aware of public opinion. It was generally said in the West German election that all Kohl had to do was win the election and he would become more flexible on the missile issue.

Flexibility came very fast, and it is a good thing that it did, says Palme.

Isolating Themselves

In a motion submitted to Parliament, the Conservatives have said that the freeze is misdirected and harmful. How deep is the conflict over Swedish security policy?

The Conservatives are isolating themselves on a number of foreign policy issues. Their attitude toward the freeze reveals a strongly conservative basic view, says Palme.

Center Party leader Thorbjorn Falldin is going over the foreign policy issues in preparation for the debate in Parliament on Wednesday.

Falldin says he does not believe there is any reason to change the stand on the freeze issue. Falldin recalls that the Conservatives supported the proposal when it was originally brought up by Falldin at the special UN session on disarmament.

Former Minister of Foreign Affairs Ola Ullsten says: "The Liberal Party's attitude is the same as that at the United Nations. We must start from a situation

in which the big powers have decided not to produce more nuclear weapons. Disarmament in the field of nuclear weapons must then be based on negotiations. First we freeze nuclear weapons at their present levels, and then we agree on how disarmament will be carried out."

Conservative Says: East Already Has Advantage

Per Petersson, the member of Parliament whose name was listed first on the Conservative motion and who is chairman of Parliament's Defense Committee, says: "We do not believe that balance can be achieved in Europe by freezing nuclear weapons at their present levels. Since the Soviet Union has already deployed its medium-range missiles in Europe, the East has the advantage over the West.

"Because of that, we Conservatives are not convinced that a freeze on nuclear weapons at their present levels is the best and only alternative if the desire is to achieve a reduction in nuclear weapons."

Petersson says: "Perhaps it will first be necessary to increase the West's inventory somewhat in order to induce the East to accept a reduction through negotiations."

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CSO: 3650/140

MEASURES PROPOSED TO BENEFIT FROM OIL PRICE DROP

Nicosia 0 FILELEVTHEROS in Greek 17 Mar 83 p 12

[Text] The drop in the official crude oil price will have beneficial results on the international and Cypriot economy according to well-known economist, Mr. Nikos Vasileiou. The only negative effects will involve the development of the alternate sources of energy.

With regard to the economy of Cyprus, Mr. Vasileiou reports:

The economy of Cyprus will benefit directly and indirectly. Directly, with the drop in the price of crude oil which, in the remaining 9 1/2 months in 1983, will involve a foreign exchange savings amounting to 6.5 million pounds and another five to six million pounds from the drop in the price of the other imported petroleum products. Indirectly, with the leveling off of international inflation which will favorably influence all imported products: raw materials, capital assets and consumer goods. Also, with the revitalization of the international economy, the exports of Cyprus and tourism will receive a boost, especially during the second half of 1983.

Mr. Vasileiou suggests that these developments can and must be exploited productively instead of being squandered all at once under the guise of consumerism. He suggests among other things:

- a. Maintaining the same price for gasoline and the change in pricing policy so as to reduce the subsidies for the other petroleum products--liquid gas, diesel fuel, kerosene--with the aim of conserving energy and developing local renewable sources of energy such as solar, wind and biological.
- b. The modification of the pricing policy of the electric power authority in order to favor the productive consumers--industry, agriculture and tourism.

9731

CSO: 3521/249

BRIEFS

DROP IN ENERGY USE--The Hague, March 18--Dutch energy consumption dropped by 6.8 percent in 1982 and natural gas use by 5 percent, the economics ministry said today, quoting provisional Central Statistical Office figures. It put energy consumption in 1982 at 2,400 petajoules, noting that one petajoule has a thermal equivalent of 24,000 tonnes of oil or 32 million m3 of natural gas. Gas consumption by power stations rose 18 percent, but that by other users fell by 9 percent as compared with 1981, leaving a 5 percent drop. Gas production fell by 15 percent because net exports fell from 46 billion m3 in 1981 to 36 billion m3 in 1982. Increased gas-firing in power stations, a 9 percent drop in electricity production and a 54 percent rise in coal-firing (using 3,933 million kgs of coal) resulted in a sharp decline in fuel oil consumption. Total domestic fuel oil sales were 3,133 million kgs, 49 percent down on 1981. Domestic motor fuel sales totalled 6,597 million kgs in 1982, 2.1 percent down on the year before. Petrol sales fell 1.4 percent to 3,633 million kgs, diesel oil sales by 6.0 percent to 2,106 million kgs and LPG rose by 5.9 percent to 858 million kgs. Total oil product sales in the Dutch market dropped by 22 percent to 16,928 million kgs. [Text] [The Hague ANP NEWS BULLETIN in English 19 Mar 83 p 1]

MAJOR OIL STRIKE--The Hague, March 18--Recent oil strikes some 80 kms offshore from IJmuiden indicate a sizeable field in shallow water which is expected to be relatively cheap to exploit, the Holland Sea Search (HSS) offshore company said yesterday. HSS spokesman Mr R. Kuijper, said the field could meet 20 percent of Dutch oil needs, whereas previous estimates had assessed Dutch offshore oil reserves as capable of covering five percent. Mr Kuijper said the water was 30 metres' deep at the location in block P8. An economics ministry spokesman said a production permit had been applied for. The block and the adjacent block P9 are being explored jointly by Holland Sea Search, Mobil Oil and Amoco. Mr Kuijper said development of the recent strikes would take some time because much exploratory work was still to be done in the southern reaches of the North Sea. [Text] [The Hague ANP NEWS BULLETIN in English 18 Mar 83 p 1]

NOROL SEES PROFITS TRIPLING IN 1982

Oslo AFTENPOSTEN in Norwegian 15 Mar 83 p 33

[Article by Bjørn H. Tretvoll]

[Text] Norsk Olje A/S (Norol [state-dominated Norwegian Refinery and Oil Products Marketing Group]) can look back on a dramatic improvement in its profits in 1982. The surplus before extraordinary items increased from 81 million kroner in 1981 all the way to 252 million kroner last year. Rationalization, profits on inventory, and better profitability for export sales are among the factors Jan T. Bjerke, managing director, advanced to explain this great improvement.

Norol's total turnover rose in 1982 by 7.8 percent to 5.8 billion kroner. After deduction of public expenditures the net operating revenues amounted to 5.2 billion kroner. While the total consumption of oil products in Norway went down by 4.7 percent, the decline in volume for Norol was 3.4 percent. The company's total share of the market increased from 26.2 percent in 1981 to 26.6 percent in 1982.

After a decline early in the year, the price of crude oil rose again as of 1 June and held steady at ca. \$34 a barrel the rest of the year. But at the same time, the American dollar exchange rate rose considerably, and this led to increased product prices on the Norwegian market. This also gave a considerable profit on inventories to the oil companies. Bjerke estimates the effect for Norol at about 60 million kroner. The abolition of price regulation was an important cause of this, as the prices of products could increase faster.

In the current year, however, it appears that crude oil prices are on the way down. There may thus be an opposite effect in the accounts for 1983. "We are not counting on such a strong profit this year as in 1982," said Bjerke. During the first 6 months of last year Norol's surplus was 30 million kroner, and Bjerke does not expect better profits during the first 6 months of this year.

Dividends

For the first time since the company was established in 1976 it is anticipated that dividends will now be paid to the owners. The percentage of dividends is set at six, which gives a total distribution of 17.4 million kroner. The profit before adjustments in the annual balance sheet was 255 million kroner. The

total adjustments in the annual balance sheet amounted to 199 million kroner and include among other things an inventory reserve of 68.7 million kroner, deposits to a number of different funds, and taxes of 17 million kroner, so that the profit entered on the books for 1982 was 39.2 million kroner. This covers the last part of the deficit the company had had earlier.

The board of directors is proposing that the company make a donation of 3 million kroner toward establishment of a fund for research in occupational medicine. It has not yet been decided what research institutions would get to enjoy the benefit of those funds.

The sale of automobile gasoline here in Norway increased from 1981 to 1982 after 2 years with decreases. Norol's share of that market rose from 22.6 to 22.8 percent. One of the reasons for this increase was the expansion of the Norol card system. At the beginning of the year there were 50 stations in operation with Norol card equipment. In the course of 1983 the company expects to have at least 50 stations where payment can be made with ordinary bank cards.

The company's own rationalization work has been an important factor behind the improved profitability. In spite of the closing of a number of unprofitable stations, some 30 percent of all stations may still be designated as Norol stations in sparsely populated areas, says Bjerke. The American consulting firm McKinsey is now taking a close look at Norol's organization.

Export Improvement

Norol's exports of refined products gave especially good profits in the last months of 1982, so that the results of that activity were definitely better than the year before. Good liquidity contributed to the financing expenses' becoming lower than they otherwise would have been. The company debited realized and unrealized foreign exchange losses amounting together to 60.5 million kroner.

The profit for 1982 represents a return on the total capital of 16.2 percent as compared to 9.2 percent the year before. The surplus amounted to 4.9 percent of the net operating revenues. Norol's shareholder capital is 15.6 percent of the operating capital.

8815

CSQ: 3639/87

EFFECTS OF LOWER NORTH SEA OIL PRICES DISCUSSED

Oslo AFTENPOSTEN in Norwegian 15 Mar 83 p 33

[Text] "If the prices of North Sea Oil drop still more, it will have consequences for Norwegian oil product prices almost immediately. A decline in the price of crude oil by, e.g., \$1.50 a barrel would mean, at the present dollar exchange rate, a reduction in the prices of gasoline and oil products by about 7.5 øre per liter." It was Jan T. Bjerke, managing director of Norsk Olje A/S (Norol [the state-dominated Norwegian Refinery and Oil Products Marketing Group]), that said that in connection with the presentation of the company's annual accounts Monday.

Bjerke did not believe, however, that a new base price in OPEC of \$29 a barrel, which has been hinted at, would lead to any new decrease in North Sea oil prices. Such a development may only mean that we get back to more normal price differentials between OPEC's base price and North Sea oil.

Regulation of gasoline dealers' margins by the authorities was done away with last week. "It will be exciting now to see what effect that may have on retail prices of these products. It may lead to greater price differences, if the big stations find it expedient to reduce their margins, while the small ones must at least maintain the present rates," said Bjerke.

On various occasions spokesmen for the gasoline dealers have insisted that the regulated maximum margin was too low to cover the increased costs with which dealers were faced. For gasoline that margin was 32.2 øre per liter.

8815

CSO: 3639/87

STATOIL REPORTS GREATLY INCREASED EARNINGS FOR 1982

Oslo AFTENPOSTEN in Norwegian 18 Mar 83 p 27

[Article by Bjørn H. Tretvoll: "Statoil Sales Up to 16.7 Billion Last year"]

[Text] In 1982 Statoil's surplus before annual settlement adjustments went up to 3.4 billion kroner for the whole group. That is 1.5 billion kroner more than the year before. But a great increase in the concern's taxes led to the final annual result after taxes and tax-conditioned write-offs going down from 1,019 million kroner in 1981 to 404 million kroner in 1982, as we learn from the company's annual report. The taxes amounted to 2.3 billion in 1982 against 300 million kroner the year before.

The concern's combined turnover came up to a good 16.7 billion kroner for 1982. In spite of an increase of 24 percent compared to the year before, this means that Statoil still has not taken over Norsk Hydro's position as Norway's biggest company.

The increase in turnover was due both to greater production, especially in the Statfjord field, and to the fact that a rising dollar exchange rate led to increasing sales revenues in Norwegian kroner. The Statoil concern's total exports rose to 9.6 billion kroner in 1982.

The rise in taxes was due in part to a certain increase in the crude oil stocks toward the end of the year in consequence of the rapid rise in production from the Statfjord field. As a result of that there were several boatloads of oil that constituted part of the tax base but were not sold by the end of the year. That led to the taxes' being about 270 million kroner higher than they would have been otherwise, Jan Erik Langangen, a Statoil director, tells AFTENPOSTEN. For the current year's accounting, however, this circumstance will work in the opposite direction.

The balance sheet for 1982 must also be evaluated against the background of the considerable allocations made to cover unrealized exchange losses on Statoil's obligations in foreign currencies, primarily in dollars. In 1982 these allocations came to 1,139 million kroner, Langangen says.

The prospects for 1983 will depend to a large extent on what happens to the oil prices during the rest of the year. A decline in oil prices will show up much

more on the balance sheet in the profits before taxes, however, than in the net profits after taxes. The course of the dollar exchange rate is also significant for Statoil's profits.

Managing Director Arve Johnsen calls 1982 a good year for the company. He points out that Statoil's taxes, excises, and profits in 1982 correspond to 900 kroner per capita here in Norway. All the value created in Statoil, except for pay to employees and interest paid to creditors, remains in the hands of the state. It is only Statoil that ensures to that extent that the riches of the Norwegian part of the continental shelf as a whole are available for distribution among all those who live in Norway, he says.

In its balance sheet Statoil debits all exploration costs before exploitation directly. In 1982 Statoil's exploration costs amounted to 441 million kroner, while in 1983 they are expected to go up to 1 billion kroner.

Statoil's yield to the owner, the Norwegian state, comes to 353 million kroner for 1982. This corresponds to 12 percent of the share capital. Allocations to reserve funds were not more than 89 million kroner for 1982. In taxes and profits Statoil has thus turned over a total of 2,650 million kroner for 1982. This constitutes 98 percent of what may be called surplus before taxes; i.e., the surplus before the balance-sheet adjustments deducted the tax-conditioned write-offs.

The Statoil concern's total investments rose to more than 6 billion kroner in 1982. Borrowing was about 1 billion kroner lower than budgeted. The most important investment projects are development of the Statfjord and Gulflaks fields and the Statpipe pipeline. In the year just past Statoil had the responsibility for drilling 15 wells on the Norwegian part of the continental shelf.

The poor market conditions for raw materials for plastics led to weak profits for the petrochemical installations in Bamble. For Statoil's share there was an operating deficit of 12 million kroner. To this must be added Statoil's part of the financing costs, which run to several tens of millions of kroner.

Statoil's total access to crude oil came to 7.2 million tons of crude oil. Of this amount 2.5 million tons was tax oil that Statoil took over from the State at the market price. About 2.4 million tons of Statoil's crude oil was delivered to the refinery at Mongstad.

At the end of the year the Statoil concern, including the subsidiary Norsk Olje, had 2,933 employees.

The company's total profitability was 32 percent for 1982 against 27 percent the year before. The yield on share capital after taxes went down from 59 percent in 1981 to 32 percent in 1982.

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CSO: 36 00 80

THREE NEW FIELDS PROMISING FOR OFFSHORE DEVELOPMENT

Oslo AFTENPOSTEN in Norwegian 14 Mar 83 p 28

[Article by Flemming Dahl]

[Text] In the oil industry there is broad agreement that there are good chances for finds worth exploiting in a number of the 46 blocks that the government wants to open up to exploratory drilling. They are 19 blocks in the Tromsø area, 13 on the Halten bank, and 14 in the North Sea.

The government's proposal on opening the blocks was passed at a cabinet meeting today, in a note that is expected to be discussed in the Storting during the spring.

Provided the proposal is discussed and approved before summer, the government counts on being able to allot some of the blocks to interested oil companies this coming fall and more by next year.

In the Tromsø area significant amounts of gas have been found in the last few years, and many companies have been eager to get a chance at new blocks in the area. They expect to be able to establish additional resources in such an amount that the total will be deposits worth exploiting. The oil directorate shares the companies' enthusiasm: "We believe it is possible to find more gas, and oil as well," Deputy Director Egil Bergsager tells AFTENPOSTEN.

On the Halten bank one disappointing well after another has been drilled. The earlier optimism had been considerably weakened when Statoil made a considerable oil find last winter. "The Statoil well has made all the other blocks in the area more interesting than they have been for a long time, and we are expecting new finds of both oil and gas," says Bergsager.

The 14 blocks in the North Sea are divided into 3 to the north and 11 further south, most of them between the Frigg and Sleipner gas fields. Especially in regard to Block 34/7--one of the northern blocks--great hope is entertained since Saga Petroleum made a sensational oil find in the neighboring Block 34/4. The find is assumed to extend into 34/7, but drilling is needed to confirm that.

Deputy Director Bergsager says that the other two blocks in the north--35/10 and 35/11--are also promising, especially in regard to oil finds. As for the blocks



The main part of the new finds is in the north, in the Tromsø area and on the Halten bank.

CSO: 30.11.57

in the North Sea, he points out that the depth of water is relatively low, and this means that the finds need not be especially large to be worth exploiting. Bergsager also emphasizes that these blocks are near existing fields and pipelines, which also helps even small finds to be exploitable.

According to the government the proposal to open up new blocks will not involve any dramatic increase in exploratory activity on the continental shelf.

In the report to the Storting the government also discusses the base activity, and among other things expresses the wish that substantial operations be located at Hammerfest as well as at Harstad. The government states that it will delay taking a stand on Norsk Hydro's views on a base at Mongstad.

EEC CONSIDERATION OF SPAIN, PORTUGAL ENTRY POSTPONED

Madrid EL PAIS in Spanish 22 Mar 83 p 53

[Text] Brussels--With the monetary crisis resolved, the European Council of heads of state and government of the Ten began their debate yesterday afternoon in Brussels regarding opening the European Economic Community (EEC) to Spain and Portugal. This problem has remained unresolved through several summit meetings, and once again, according to all indications late yesterday, the appointment with Spain has been postponed until an upcoming Council meeting to be held in Stuttgart in June.

In December, in Copenhagen, the EEC had set today's date for clearing the way for Spain's and Portugal's entry, but history is repeating itself like light comedy. In a first draft of the final communique, the date of April 1985 was set for the resolution of the domestic and foreign problems involving olive oil. With this slap in the face confirmed, Spain's entry would remain postponed indefinitely, especially since France set forth the resolution of this matter as a prior condition. Italy, for its part, has called for a transitional period for Spanish olive oil much longer than the 10 years proposed by the European Commission. For Belgium, these 10 years are a minimum. Thus, the heads of state and government of the EEC quibbled among themselves about the document on the reform of Community standards for Mediterranean products (the famous "Community agreement" affecting olive oil, fruits and vegetables) that the ministers of agriculture had been unable to resolve. They are throwing the ball back into their court.

The EEC countries are divided into two groups regarding the system to be followed, as was clearly demonstrated by the ministers' interventions. The Federal Republic of Germany (FRG) and Belgium believe that the reform of the agreement and of the resources belonging to the Community should move forward in a parallel manner, along with their necessary ratification in the national parliaments.

The reform of the agreement, the Community resources, and relations with Mediterranean seacoast countries, as prior conditions, did not present an obstacle which prevented French foreign relations minister Claude Cheysson from speaking of the need for speeding up negotiations with Spain, since otherwise relations with Madrid could deteriorate.

For the United Kingdom, Spain's entry would presuppose an additional cost of 183 billion pesetas annually for the Community budget. And as the United Kingdom does not wish to increase this, it deems the reduction of expenditures of the Community agricultural policy necessary.

The president of the Commission, Gaston Thorn, set the next summit for June in Stuttgart, where a specific calendar for negotiations with Spain and Portugal must be established. Thorn requested the EEC leaders to set political guidelines so that, before June, the Community could begin real negotiations with Spain in the area of agriculture. The Italian Prime Minister, Amintore Fanfani, in a long technical discussion, began to speak about olive oil production in his country.

British Prime Minister Margaret Thatcher interrupted him, rather brusquely, to say that this summit meeting was not the appropriate forum for this detailed discussion. Fanfani continued and, once again, the Belgian head of government, Wilfried Martens, interrupted him to restate that the European Council was not the place for agricultural problems that the ministers in that branch were not able to resolve. Thus it already appeared that this was not going to be a triumphant summit for Spain, but it had to be remembered.

Thorn set forth the agenda, with the opening of the market as the first item, followed by the internal development of EEC, the budget problem, the limiting of agricultural production, and negotiations with the United States, which can only achieve lasting results within this latter context.

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INCREASED CONSUMPTION HAS NEGATIVE EFFECT ON ECONOMY

Nicosia 0 FILELEVTHEROS in Greek 18 Mar 83 p 12

[Text] OIKONPMIKA NEA, published by the Bank of Cyprus, points out that the great increase in local consumerism and the negative effects on other economic factors indicate the reversal of the favorable developments we saw during 1981 in the area of savings and the balance of payments.

In a detailed analysis of the economic situation of our country, this economic publication points out that the solution of the number one problem, for which both the private and public sectors are responsible, requires the reduction of wasted resources and reminds us that the large public deficit is due, in great degree, to excessive public consumer expenditures.

It is emphasized in the basic points of the economic analysis, that the development is concentrated on services, that productive investments remain at low levels, while over-consumption, by the private and public sectors and the widening gap of the deficit in the balance of current exchanges is increasing.

It is pointed out that the excessive increase in local consumerism, in combination with the low productive investments, constitutes a serious negative factor and reinforces the forecast that it will be difficult to attain the rate of economic development of four percent without excessive dependence on foreign aid.

After emphasizing that a significant improvement in production and high rates of development is unlikely unless necessary corrective changes are effected, it adds that the shifts in the basic economic indicators during 1982 present a picture of Cypriot economy which is better than that of the previous year in the areas of production and inflation.

It is pointed out that, in the general evaluation of our economic situation, we should not ignore the fact that behind the relatively rapid development, there is to be found the expansion beyond six percent in the areas of trade, private housing, public administration and tourism.

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OSD: 3521/248

ECONOMIC INDICATORS BAROMETER: NO EARLY UPTURN SEEN

Oslo AFTENPOSTEN in Norwegian 14 Mar 83 p 25

[Article by Bjorn H. Tretvoll]

[Text] The latest barometer of economic indicators from AFTENPOSTEN and MMI (Market and Media Institute) shows no sign of an upswing in the Norwegian economy in the near future. The barometer revealed another significant drop, from an index value of 44 in October last year to 29 in January 1983. A clear majority of the respondents anticipated a continued increase in the number of unemployed during the next 6 to 12 months. On the other hand, many more now believe that price increases now are slowing down.

Information for the latest barometer of economic indicators was gathered from 18 to 25 January. MMI is responsible for the survey.

In January only 10 percent of those asked believed that price rises would accelerate during the next 12 months. In December 1981 almost half (48 percent) felt that prices would rise more rapidly. Almost 60 percent still believe that the inflation rate will remain at about the present level, while 27 percent believe there will be slight price rises or none at all.

The pessimism is still widespread with regard to the general economic situation during the coming 12 months. Almost half (48 percent) believe that the situation will become somewhat or considerably worse. Only 10 percent are optimistic and believe there will be an improvement in the situation.

A clear majority, however, believe that a possible worsening of the general economic situation will have no great effect on the economic situation of the individual. Despite a strong belief in a general decline, only 21 percent of the respondents believe their own situation will deteriorate. The great majority (56 percent) believe there will be no great change, while 17 percent are optimistic to some degree or another and believe their personal economic situation will improve.

The barometer of economic indicators is constructed in such a way that a firm belief that the inflation rate will rise causes an increase in the index. The reason for this is that if drastic price rises are anticipated, major

purchases will be made as soon as possible. In addition, it often is the case that during an economic upswing there is considerable pressure in the economy that may contribute to an increase in the inflation rate.

The increase in the number of respondents who believe there will be moderate price rises was a major factor in the latest drop in the barometer of economic indicators. Estimates of the respondents' own economic situation and the general economic trend both tended to cause a weak upswing in the index.

Developments on the labor market are seen with great skepticism. All of 80 percent of the respondents believed that unemployment would be higher 6 months from now than it is today. Only 6 percent believe that unemployment will drop during this period. Estimates are about the same over the next 12 months. Here, too, 77 percent of the respondents believed that unemployment would be higher then than today.

One clear trend in the survey was that Conservative Party voters are much more firmly convinced than supporters of the other parties that price rises will slow down. Among Conservative Party voters, 44 percent believe there will be lower price rises or none at all. The corresponding figure for Labor Party voters is only 18 percent.

Several Factors Point To Upturn

Since the field work for this survey was done in January, new information both at home and abroad has indicated that better times may be around the corner. Chief economist Tormod Andreassen of Christiania Bank and Kreditkasse said this to AFTENPOSTEN in his comments on the latest AFTENPOSTEN/MMI barometer of economic indicators. Andreassen does not agree completely with the negative picture of the economy shown by the barometer.

"The highly negative picture of the general economic situation revealed by the survey can be ascribed, to a great extent, to the fact that just prior to the survey the mass media focused on several negative events in the economic situation, for example layoffs and plant closings, increased unemployment, and international financial problems," Andreassen said.

In the present situation, he chose to emphasize not the overall index, but what people believe about their own economic situation and about price trends. He believed it was reasonable for prices to decline at the beginning of an economic upturn, since an increase in production can yield productivity profits which, in turn, can help dampen price rises.

"In addition, people's expectations concerning price rises are important factors in shaping their wage demands. If they believe that price rises will slow down, they will be satisfied with more moderate wage settlements," Andreassen said.

Assuming that this year's negotiations get off to a good start, there are several factors indicating that an upturn may come. In this connection,

Andreassen points to developments in the United States and the upturn in international raw materials prices. Here in Norway inflation seems to be on the way down, the export situation is more favorable than previously believed, and the prospects for a moderate wage settlement seem to be good. With a moderate wage settlement and without extensive financial measures to stimulate the Norwegian economy, there may be a decline in interest rates during 1983.

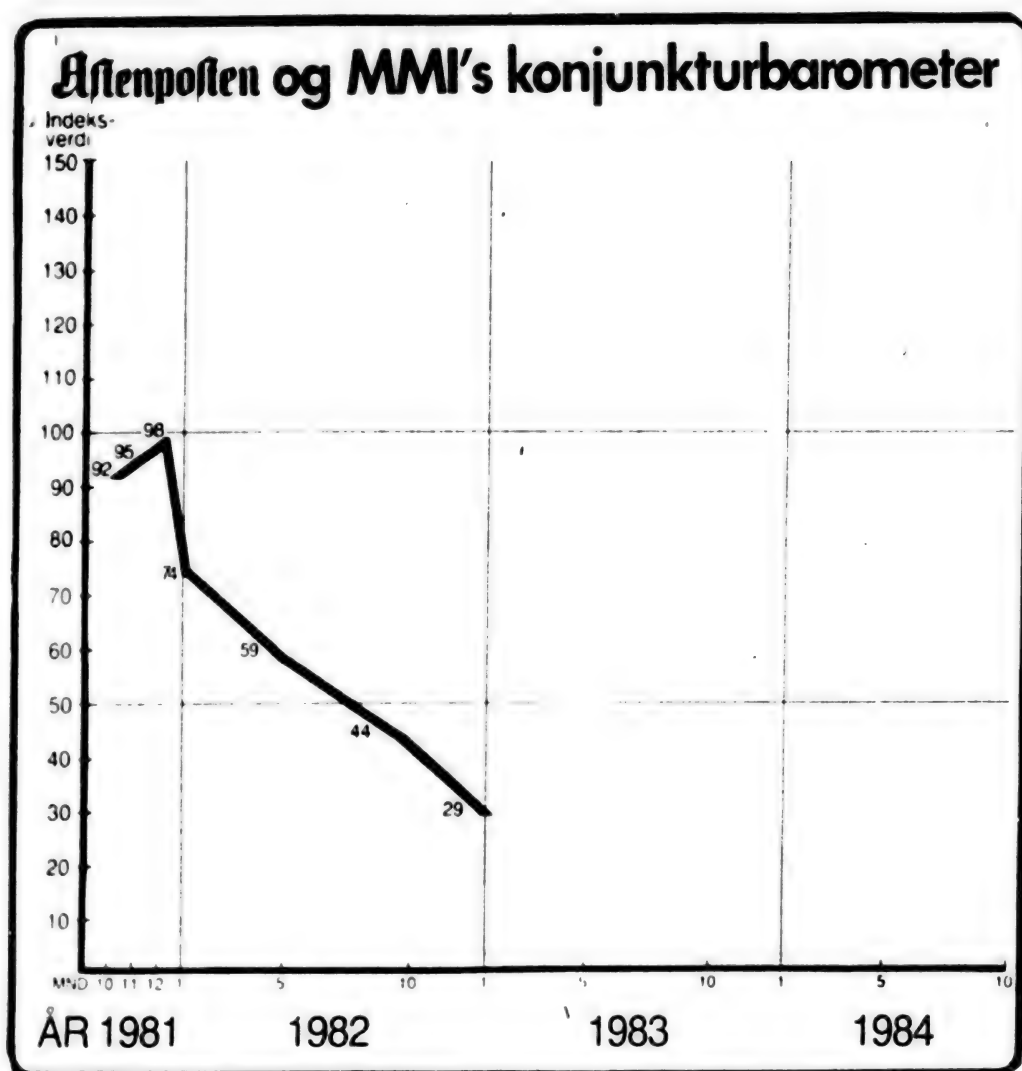
The AFTENPOSTEN/MMI barometer of economic indicators contains no seasonal adjustments. Andreassen believes it is possible that the opinions expressed could reflect certain seasonal variations, such as the fact that unemployment generally rises during the fall and winter and that the political debate during the fall is dominated by next year's budget, which often creates the impression that hard times are on the way. The survey taken by the Central Bureau of Statistics among Norwegian business leaders indicates that some seasonal variations are reflected in the opinions.

The overall estimate of people's own economic situation is about the same as it was from January 1982 to January 1983, but expectations concerning the general economic trend are considerably lower in January 1983 than 1 year before.

The MMI survey also asks if now is a good time to purchase major consumer goods such as furniture, washing machines, televisions, etc. The most recent survey indicates that people believe the situation is somewhat less favorable now than 1 year ago.

Andreassen said this could indicate that demand on the part of households due to the economic situation is somewhat lower. This decline in demand, in itself, could contribute to a weaker economic upturn. This is not particularly surprising, however, considering the warnings that accompanied next year's budget that broad groups of people would see a reduction in purchasing power this year.

This barometer of economic indicators provides valuable information on how various groups view future economic trends. To provide a complete picture of economic developments, this barometer must be evaluated along with other information, including current statistics from various areas, according to Andreassen. He pointed to developments in Norwegian exports to our trade partners and the economic index of the Bank of Norway as indicators of future trends in the Norwegian economy.



Key:

- 1 AFTENPOSTEN/MMI barometer of economic indicators
- 2 Index value
- 3 Month
- 4 Year

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CSO: 3639/89

CENTRAL BANK FORECAST: UPTURN ONLY TOWARD 1984

Oslo AFTENPOSTEN in Norwegian 11 Mar 83 p 26

[Article by Bjorn H. Tretvoll]

[Text] So far, there is no reason to count on an economic upturn in Norway during the first half of this year. Activity hardly will increase before the end of the year. For this reason, additional deterioration may be anticipated during the coming months. This was indicated by the latest economic review by the Bank of Norway.

The Bank of Norway points out that the recent increase in unemployment is related to sharply reduced growth in public employment. At the same time, the bank warns against major expansive measures within this sector to reduce unemployment.

Public expenditures must be reduced in order to create a more favorable long-term balance in the Norwegian economy. For this reason, there is a need for new growth in areas other than the public sector. Measures designed to improve cost levels in the trades and in industry and to stimulate reorganization would be better means for reducing unemployment in the long run, according to the bank of Norway.

A more expansive economic policy could further postpone long-needed production changes, raise prices and costs, create problems in foreign trade, and result in future belt-tightening measures, the Bank of Norway warned.

It may be possible to reduce inflation in Norway to 7 or 8 percent in early 1984, if this year's wage settlement is moderate. At the same time, profit margins which increased considerably in 1982 in some service sectors must not contribute additionally to price rises. Price rises in the public sector also must be reduced.

Costs to Norwegian industry will be higher than previously assumed. This is due in part to the fact that white-collar wages increased somewhat more than blue-collar wages. At the same time, there was a sharp drop in productivity during the fourth quarter of last year. Compared to our most important competitors, Norwegian industry lost a good 5 percent of its competitive

strength in 1982. The devaluation of the krone, however, meant that wage costs per unit produced at the end of the year were only slightly above the level for the fourth quarter of 1981.

An increase in productivity of about 2 percent and wage increases that are lower than price rises could improve our competitiveness by 3 to 5 percent. This is because a steady rate of exchange from February throughout the rest of the year would reduce the average exchange rate of the krone by 5.5 percent from 1982 to 1983.

Toward the end of 1983, however, the increase in wage costs per unit produced in Norway must be reduced to the same level as that of our most important trade partners, unless we are to enter 1984 with a clear deterioration of our competitiveness. This would require wage increases of only about 6 percent. But if price rises are reduced to 9 percent, the tax cuts that have been made will mean that the reduction in purchasing power of most income groups will be modest, according to the Bank of Norway.

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CSO: 3639/89

SMALL CIRCLE OF MEN DOMINATE ECONOMIC LIFE VIA DIRECTORSHIPS

Oslo DAGBLADET in Norwegian 12 Mar 83 p 10

[Article by Tore Stuberg]

[Text] "I see no reason for concern in the fact that the directorships in Norwegian business life are dominated by a small group of people. The important thing is that the firms themselves can seek their board members where the expertise can be found," high court attorney Carsten Mellbye (59) said in Oslo. He heads the list of the most utilized board members in Norway--he serves on 23 boards and is chairman of 14!

The paper OKONOMISK RAPPORT made a survey of the "25 top people on Norwegian boards of directors" after going through the members of several thousand company boards. The survey showed that this area is dominated by a very small group of people. These 25 people account for no less than 264 board positions. The hallmark is a handful of people, primarily administrative directors, high court attorneys and a few shipowners. Among the 15 most utilized board members there are 10 company presidents, four high court attorneys and one shipowner. The average age is around 60.

Little Imagination

There are no professors, scientific research workers or professional marketers on the list. The recruitment and selection of board members apparently still lack imagination and creativity, according to OKONOMISK RAPPORT, which also found it striking that there were very few women on boards of directors.

Top People

After Carsten Mellbye, Gustav Aarestrup, president of Storebrand-Norden, is second among business leaders serving on many boards. In addition to insurance, he is also chairman of the board for Moss Glasvaerk, Inc. and Hunsfos Fabrikker, among others.

Next in line after Aarestrup is high court attorney Willy Mohn with 16 board posts, followed by director Gunnar Aasberg, general director Carl Rotjer and high court attorney Finn Arnesen, all with 14 posts each.

Club for Friends?

We asked high court attorney Carsten Mellbye what his response was to the charge by OKONOMISK RAPPORT that Norwegian business life is headed by a kind of club for friends and the friends of friends.

"That is not correct. I know some of those who have the most board positions. The point is not whether we are friends--the point is that this involves experts who know what they are talking about and who accept board posts because they feel they have something to contribute to the firms in question.

Power Position

"And it is a misunderstanding to think that such a list tells who is 'ruling Norway.' I do not have the feeling that I occupy a position of power. But it is clear that I do have some influence over the management of the firms whose boards I sit on."

What are the characteristics of a "good" board member?

"That can vary. But the important thing is that the person in question is able to cooperate, has motivation, is able to seek new ways, has imagination and authority, in particular."

And would he like to serve on even more boards?

"That is part of my profession. And as long as people can use me, of course I will make myself available," said Norway's leading board member, high court attorney Carsten Mellbye.

Leading Board Members

High court attorney Carsten Mellbye (59): Among other things, board chairman for Isbergs, Inc., Helly-Hansen-Renolit, Inc., Saba, Inc., Oslo Patent Office, Inc., A. H. Noreng, Inc., Anker Hellesnes, Inc., Beiersdorf Norge, Inc., Berkel, Inc., Heidenreich, Inc., Martina Hansen's Hospital, Scheidegger-Institutet, Inc., Freudenberg Norge, Inc., Daval Norge, Inc., and DLW Norge, Inc. He is also a member of nine other boards.

President Gustav Aarestrup (6) [as published]: Among other things he is chairman of the board for nine of Storebrand-Norden's companies and a board member of four companies. He is chairman of the board of Moss Glasvaerk, Inc. and a board member for Hotel Continental, Hunsfos Fabrikker, Inc., Elektrisk Bureau, Inc. and Norges Skipshypotekforening.

High court attorney Willy Mohn (63): Among other things, board chairman of J. W. Cappelens Forlag, Inc., Hotel Continental, Inc., Pals, Inc., SKF Norge, Inc., Norsk Laborador and Granitindustri, Monoplas, Inc., Storm Martens Maskinforretning, Inc., Nodest, Inc. and Adams Express, Inc.

Director Gunnar Aasberg (63): Among other things, board chairman of Christiania Bank and Kredittkasse and the Storebrand-Norden group. In force of the latter post, he is also chairman of the board of Storebrand-Norden Skadeforsikring, Inc., Storebrand-Norden Livsforsikring, Inc., Storebrand-Norden Reinsurance Company, Ltd., Forsikrings-Aktieselskapet Kreditt-Atlas, Inc., Det Norske Brandforsikringsselskap, Nor, Inc., Forsikringsselskapet Sigyn, Inc., Poseidon, Inc. and Mentor, Inc. He is also chairman of the board of Christiania Banque in Luxembourg and vice chairman of Ardal and Sundal Verk, Inc. and Horten Verft, Inc.

High court attorney Finn Arnesen (48): Among other things, chairman of the board of DSV Norge, Inc., Expandite Norge, Inc., Naarden International Norge, Inc., E. Sunde Co., Ltd. and Elteco, Inc., as well as six smaller companies. Also board member of VERDENS GANG, Inc., among others.

General director Carl Rotjer (58): Among other things, chairman of the board of Kvaerner Engineering, Inc., Kvaerner Brug, Inc., Kvaerner Kulde, Inc., Maskin, Inc. K. Lund, Moss Rosenberg Verft, Inc., Myrens Verksted, Inc., Thune-Eureka, Inc., Mesna Brug, Inc., Sorumsand Verksted, Inc. and Thune-Maskin, Inc.

Administrative director Einar Falck (58): Among other things, chairman of the board of the general insurance company, Vesta, the life insurance company, Hygea, Saga Petroleum, Inc., Saga Petrokjemi, Inc., Nevi, Inc., Investa, Inc., J. Ludwig Mowinckels Rederi, Inc., Navare, Inc., Det Norske Kredittforsikringsselskap, Inc. and KredittGaranti, Inc.

6578

CSO: 3639/95

TALKS ON AGRARIAN PRICES END WITHOUT AGREEMENT

Madrid EL PAIS in Spanish 30 Mar 83 p 41

[Article by Cesar Lumbreras]

[Text] Negotiations on farm prices for the next harvest drive ended yesterday between representatives of the administration and four out of the five nationwide farm organizations. Prices were fixed on only about two out of the 17 products--beans and cotton--while a spread covering the final, maximum and minimum positions was established for the remaining products. In keeping with the last decision, the cabinet will today study a report by the minister of agriculture which includes the proposed price range and an analysis of the development of negotiations.

Farm price negotiations for the coming harvest drive ended shortly before 0700 yesterday at the Ministry of Agriculture. The last meeting, which continued throughout the early morning yesterday, was chaired by Carlos Romero, the minister of agriculture, fishing, and food; it was attended not only by high ministry officials but also by representatives of the CNAG (National Confederation of Farmers and Ranchers), the UFADE (Union of Agrarian Federations of Spain), the FTT (Federation of Farm Workers), and the COAG (Farmer and Rancher Coordinating Organization). The CNJA (National Center of Young Farmers) did not attend this last phase of the meetings since it had withdrawn from the negotiation table last Sunday.

The negotiations ended in failure according to the impressions gathered among the representatives of the farm unions. The withdrawal of the CNJA must be added on top of the total rejection of all prices by the COAG since its proposals for supplementary measures were not accepted. UFADE approved only the price on two products, that is, beans, for which a price of 32.50 pesetas per kilogram was fixed, and cotton, at 92 pesetas plus a subsidy of 9 pesetas per kilogram.

In addition to the above-mentioned two products, the CNAG also agreed to a price of 18.75 pesetas for barley (the price on this product was fixed in a

manner similar to the agreement for rye and oats) and milk at 28.75 pesetas per liter; no prices were fixed for the other products. The FTT points out that agreement was achieved on six products: Barley at 18.75 pesetas, rye at 19.54, oats at 17.72, beans at 32.50, cotton at 92 pesetas (plus a subsidy of 9 pesetas), and milk at 28.75 pesetas per liter.

Price Range

The fact however is that total agreement was not worked out between the administration and the five national farm organizations since the CNJA withdrew from the negotiations. The table below shows the price range agreed upon yesterday; it does not include the position of that organization. This price range will serve as base for the final fixing of prices by the cabinet during its meeting today. Agreement was worked out during last year's negotiations on 14 out of the 17 products and a price spread was established for only three, that is, cotton, wine, and olive oil.

The most heavily disputed products in these negotiations were wine, olive oil, beets, and wheat. In the case of wine, proposals range from a freeze on the price of wine at 135 pesetas off the counter all the way to a price of 152 pesetas. The positions also were far apart on olive oil.

Regarding supplementary measures, no specific agreements were arrived at except in the case of price controls on agricultural inputs (fertilizer and fuel) which may not exceed 7 percent; this is equivalent to a practical freeze. Concerning the interest in cattle ranching input, no agreement was arrived at either since the administration tried to fix it at 15.8 percent while UFADE and CNAG wanted 11.6 percent. We must also stress here the postponement of the rise in the modules used for the single objective estimate which will continue at 6 percent.

As far as the FTT is concerned--and it is the agricultural branch of the UGT [General Union of Workers]--the estimate of the negotiations is positive "since one can detect considerable advances for the small and medium farmers and ranchers." COAG however in an announcement points out that "it does not accept, nor does it consider valid the recent negotiations since they were used to put an end to the very same antidemocratic methods employed in separating our representatives from the negotiating table with the excuse of having to finish the draft of a document on supplementary measures so that the meeting was finished while we were absent." They also noted that the agreements, which were accepted only by the FTT, do not cover the measures by the COAG for boosting the operation of family-owned farms.

The CNAG will explain its position today in the course of a press conference. However, its Secretary General Miguel Ramirez stated that there was an honest intent on the part of the administration to negotiate "although it was rather stingy when it came to prices and although there was a lack of imagination regarding supplementary measures." The UFADE likewise came up with a negative judgment of the negotiating process through its representative Arturo Lopez.

On the other hand, the agriculture minister yesterday considered the negotiations to have been a positive thing and pointed out that he is optimistic regarding the results since there was an approach between the administration and the unions regarding the policy for sector coordination and reorganization. Finally, he indicated that the average increase will be between 7 percent and 15 percent.

The ENJA had scheduled its Third National Congress starting on 15 April in Madrid. Sources at that union figured that 20,000 farmers will gather for the closing session of that congress.

Negotiation Results

Product	Current Price	Price Range Proposed
Wheat	20.30 kg	21.70-22.72
Barley	16.55 kg	18.65-18.75
Oats	15.60 kg	In line with barley
Rye	17.20 kg	In line with barley
Corn	20.30 kg	21.67-23.10
Sorghum	18.75 kg	In line with the above
Beans	29.00 kg	Closing at 32.50
Rice	26.00 kg	28.40-30
Sunflower	37.00 kg	40-42.50
Beets	5,175.00 metric tons	5,700-6,000
Sugarcane	3,622.00 metric tons	In line with beets
Cotton	80.00 kg	Closing at 92
Wine	135.00 hg	135-152
Olive Oil	157.00 kg	188-179
Beef	314.00 kg/head	344-358
Pork	138.00 kg/head	151-157
Cow's milk	25.75 liters	28.75-29.25

Source: Farm Organizations.

5058

CSO: 3548/308

MASS DEMONSTRATION FOR AHM; STEEL INDUSTRY CONTRACT

Madrid EL PAIS in Spanish 30 Mar 83 p 43

[Article by Jaime Millas]

[Text] Agreement on negotiations for collective bargaining agreement for entire steel industry. More than 20,000 persons demonstrated yesterday in Valencia in support of the protection of jobs and against the dismantling of the steel mill of AHM [Mediterranean Blast Furnaces] at Puerto de Sagunto. The number of demonstrators estimated by the chairman of the enterprise committee was something like 100,000 persons, whereas the civil government calculated it at 15,000. The procession moved in an orderly fashion through the city's downtown area and broke up in Zaragoza Square, a short distance from the seat of the autonomous government. The demonstration was headed by current communist leaders, the enterprise committee, and members of the Sagunto coordinating committee. At the same time, the negotiators for the collective bargaining agreement for the entire steel industry arrived at an agreement yesterday which is to run for 3 years.

The march began at 1900 near the summer house and continued along Colon and Jativa Streets, Pais Valenciano Square, Barcas Street, Paz, winding up in Zaragoza Square, where enterprise committee chairman Miguel Campoy, of the CCOO [Workers Commissions], addressed an appeal to the crowd to oppose the dismantling of the steel industry in Sagunto and the decisions of the government concerning the sector's reorganization, as well as the enterprise management, without consulting or negotiating with the labor unions and party. The International was sung at the end of the gathering. On the other hand, labor union and political representatives as well as children of workers went to Palau de la Generalitat, where President Joan Lerma was waiting for them; he was presented with a written document expressing the concern of the people of Sagunto over the industrial decline in the Valencia area and the closing of the steel mill. The children addressed their written document to the Prince of Asturias.

There were various rumors about the number of demonstrators. While the organizers came up with a figure of more than 40,000 demonstrators, civil government sources pointed out that the procession permanently occupied a surface area of 14,000 square meters in the streets, which is equivalent to something like 15,000 persons. On the other hand, Zaragoza Square, the place of the final meeting, covers a surface of 6,500 square meters, which were completely occupied. Other labor union and political sources supplied a figure ranging between 20,000 and 30,000 demonstrators. In any case, the procession was no longer than 1 kilometer.

The only incident requiring the intervention of the law-and-order service sprang from hostility displayed by demonstrators against the mayor of Valencia and leaders of the Union Valenciana, Miguel Ramon Izquierdo, in conjunction with Popular Alliance and militants of his party, so that he was forced to leave the column and follow the procession on the side. His political organization had joined in the demonstration.

The column began with a big sign carried by the children of the workers, reading "We Are the Pioneers of the Future--The Future Wants to Mutilate Us--We Ask the Socialist Administration to Refrain from Closing the Entire Steel Industry Down"; next came the AHM enterprise committee with its chairman, Miguel Campoy, the communist leader Jose Galan, secretary of the PCPV-PCE [Carlist Party of the Valencian Country--Spanish Communist Party], and Jaime Ballesteros, of the PCE Central Committee, the Secretary-General of the Confederation of the CCOO of Valencian Country, Antonio Montalvan, and the representatives of the convoking coordinating committee. Their sign read "For the Continuation of the Entire Steel Industry of AHM, with TBC [hot-strip train], and Jobs."

Among the slogans chanted most frequently were the following: "Felipe, Guerra, Sagunto will not be closed"; "work, yes; unemployment, no;" "let the government note that Valencia can also vote"; "we do not want and we do not accept discriminatory treatment"; "the government did not wait for the response from Valencia"; "the council is not hurting and is having fun"; and "all the people of Valencia will fight for their entire steel industry."

The organizations that participated supplied a large number of signs and slogans of their own. The signers of the appeal for the gathering were the CCOO, the Communist Party of Valencian Country (PCE), the CNT [National Confederation of Labor], the Union of the People of Valencia, the Marxist-Leninist Communist Party of Spain, the UPECO of the District, the Guild Union, and the Student and Sagunto Forces Coordinating Committee. Also joining in were Union de Llaorador y Ramaders del Pais Valencia, Popular Alliance, Union Valenciana, Communist Unification of Spain, and associations of former political prisoners and victims of reprisals.

The drive actually began long before 0600 when the first shift at the Puerto de Sagunto factory finished its work. Later on, around midday, the shops and small industrial establishments in the area also closed their doors to attend the demonstration. Both the city of Sagunto and its port, where the steel industry is located, were deserted.

Accord on Steel Industry Agreement

The procession of demonstrators going to Valencia came by bus--more than 200,000 were bused in and 10,000 tickets were put up for sale--as well as private cars that filled Alameda Promenade and other vast areas in the city, located at the start of the highway from Barcelona. The Guild Union of Merchants of Valencia issued a call to close business establishments starting at 1900 to prevent incidents with the demonstrators and to join in the parade.

On the other hand, the management, the enterprises and the labor unions were yesterday negotiating in Madrid on wage hikes and working day increases for the next 3 years in the steel industry. The preliminary accord, which will have to be ratified by the steel industry workers in the course of factory meetings, to be held on 12 and 13 April, could be signed by 15 April.

The wage hike provided for 1983, according to a joint announcement from the CCOO and the UGT [General Union of Workers], is 10.5 percent over and above the schedule. An equal increase was fixed for 1984 to the half-way point in the wage spread which could be agreed upon on a general level between labor unions and employers (if there is no such general accord, the increase will amount to 95 percent of the consumer price rise during the preceding fiscal year). The increase for 1985 is based on the same mechanism but in this case it will be at the maximum point in the general wage spread that can be agreed upon.

5058

CSO: 3548/308

PICTURE GROWS BLEAKER FOR EEC ENTRY BEFORE 1985

Madrid ABC in Spanish 23 Mar 83 p 56

[Article by Andres Garrigo]

[Text] Brussels--The European Council meeting here, which has brought together the heads of government of the 10 European Economic Community states, has once again stumbled over the problem of the cost of Spain's membership without being able to come to a definitive decision. Before the conclusion of the council's meeting early this afternoon, it is considered almost certain that the Spanish issue will be turned over to the regular meetings of the EEC's ministers of foreign affairs and agriculture so that they may in turn shunt the problem to the next European Council meeting to be held in Stuttgart on 6 and 7 June 1983.

The president of the European Council, FRG Chancellor Helmut Kohl, made an impassioned defense of Spain's EEC membership, according to reports, stressing the political advantages of such a move in Spain as well as in Portugal. This view re-echoes what the Madrid government has been saying for a while now: Spanish public opinion could become disillusioned with the EEC if the difficulties should continue.

But Chancellor Kohl himself knows that while no one has political objections to Spain's or Portugal's joining the EEC, neither does anyone wish to pay out of his pocket for the inclusion of Spain in the Common Agricultural Policy. President Francois Mitterrand insists that the Iberian operation cannot be paid for without increasing the EEC's own resources. The community's budget is at the point of going flat. Only 2.6 billion European units of account remain. Spain's joining the EEC would cost, according to the Brussels Commission--1.5 billion EEC units of account. Merely by adding the 2 billion units of account which might have to be refunded to Britain for its excess contribution the budget would be more than exhausted. This is without counting the amount to be added to increase the agricultural prices of the next season--normally to be approved in April--and to promote other policies.

Mrs Margaret Thatcher, who is coming on strong after reducing Britain's inflation rate in spectacular manner, said that the funds to finance Spain's entry ought to be found by cutting other budgets, saving on unproductive expenditures, adopting rationalization measures, but in no case by raising public spending even further.

On this showing, then, it was foreseeable that nothing can be decided on the issue which represents nearly half of Spain's entry "ticket": Olive oil. We Spanish correspondents were very surprised on reading a final plan of the European Council which has just proposed that decisions on Spanish oil should be taken "before April 1985."

How can this be interpreted if, according to Spain's foreign minister, Fernando Moran, negotiations regarding Spain's entry should be concluded in the first half of 1984 and the signing of the membership treaty would follow in the second half of that year? Without agreement on Spanish oil it is inconceivable that a Spanish Government would sign anything, so that this schedule would be tantamount to delaying Spain's EEC entry for one more year.

When this reporter asked the Belgian prime minister, Wilfried Martens, what the story was, he answered that this proposal had not been approved. But a Dutch spokesman told me that neither had it been rejected and that it would perhaps be amended.

This same proposal reasserts the need for the EEC to make greater progress in negotiations with Spain and Portugal and asks that the ministers of agriculture adopt the appropriate decisions before the end of March. In any case, we already know from experience that this type of order is rarely followed. That was the case with the earlier European "summit" in Copenhagen which directed the regular European Council meetings to make decisions prior to today's "summit" without the latter having finally completed its "homework."

Furthermore, this "summit" did not appear to be destined to make major decisions despite the fact that the ministers of finance, a couple of hours earlier, had smoothed the way for them by solving the problem of currency devaluations and revaluations. The president of the European Commission himself, Gaston Thorn, said that this was a council of transition and that the important decisions would be made in Stuttgart.

Leo Tindemans, the Belgian foreign minister, recognized that at the 11th hour last night nothing more was done than broach the problems of the agenda: Spanish oil and market garden and fruit crops, teenage unemployment, recognition of academic credentials, budgetary problems and Britain's contribution, and preparation for the meeting of the leaders in Williamsburg, Virginia. As usual, the European Commission presented its reports to the heads of government on industrial strategy, unemployment and the economic and social situation, and another on the need to improve demand in the domestic market. That will be grist for turning out a few bombastic but vague statements that will find their way into the final communique.

MORAN EFFORT FOR 1984 EEC ENTRY AGREEMENT

Barcelona LA VANGUARDIA in Spanish 24 Mar 83 p 9

[Text] Madrid--Spain's minister of foreign affairs, Fernando Moran, stated yesterday before the plenary session of the Spanish Congress that "if the negotiations relating to Spain's entry into the European Economic Community do not make sufficient progress in 1984, we shall have to conclude that the difficulties are so great that perhaps Spain should reconsider the issue of its membership." Moran thereby supported, even though in nuanced manner, the final declarations made in due course by the deputy prime minister, Alfonso Guerra.

The foreign minister was responding to a question by the deputy of the People's Group, Antonio Ravarro, in which the latter specifically charged the government with maintaining maximalist positions in its negotiations with the EEC, quoting but without attribution some declarations of Alfonso Guerra in which the deputy prime minister seemed to be threatening the European Communities with Spain's renunciation of its membership bid if the former did not decide on Spain's application in the current legislative session. Minister Moran explained the comments of his Cabinet colleague and stressed that there will be no wavering in "the determined Spanish goal of joining the EEC" but under equitable and balanced terms.

In his interpellation of the government, Antonio Ravarro criticized the position of Spain's Foreign Ministry as regards the planned Conference of the Mediterranean proposed by France, which he characterized as "dangerous" because he believed that it could damage Spanish interests in its commercial relations with Europe for the benefit of Morocco, Algeria, and Tunisia, and even could serve to place on the diplomatic agenda the contentious issue of Ceuta and Melilla. Fernando Moran accused the interpellator of exaggerating the issue and reiterated that the government would agree to participate in the conference ("should it be held," Moran stressed) as long as territorial questions involving sovereignty are not raised and provided that the conference not interfere in or supplant the jurisdiction of the EEC's "ad hoc" committee for relations with nonmember states with which the EEC has preferential agreements. "The destiny of both shores of the Mediterranean," Fernando Moran said, "is to reach an inevitable agreement."

Continuing to answer criticism from the opposition on the issue of the calendar and on the alleged partial and bilateral renegotiation of the preferential agreement of 1970, given the reduction in tariffs on the import of British

vehicles, Moran gave assurances that "there exists a clear resolve to set dates which, however, depend on the progress of Spain's EEC membership application which has just witnessed one of its most acute crises in the past few days." Despite his recognition of that fact, Moran stressed that there had been progress in the negotiations of the schedule and evaluated the outcome of the European monetary crisis as "proof of the firm resolve to maintain and expand the European Common Market, which involves the entry of Spain and Portugal."

The foreign minister, who gave assurances that the treaty relating to Spain's joining the EEC would be submitted at the appropriate time to the decision of the Cortes, voiced moderate optimism on the possibilities of reaching new agreements at the forthcoming ministerial meeting in Luxembourg scheduled for 25 and 26 April so that at the time of the holding of the June summit meeting by the European Council, it could take "a firm position that could signify an extremely important stepping up of the negotiations."

As regards the preferential agreement of 1970, the minister qualified it as "excessively optimistic" and even though he noted its importance as a step toward entry, he urged a realistic view of same specifically so as to maintain its effectiveness. "Things have changed today," he declared, "and for us to take into account the interests of others does not signify that we are renouncing our own," Moran declared in clear allusion to the recent revision of tariffs. In the discussion in which centrist and Socialist parliamentary groups also became involved, the popular Group announced that it would propose the creation of a committee to follow up on the [EEC] negotiations as well as the implementation of the preferential agreement.

2662

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PALME GOVERNMENT BEING TESTED BY 'HARD ECONOMIC REALITY'

Oslo AFTENPOSTEN in Norwegian 15 Mar 83 p 9

[Article by Morten Fyhn, AFTENPOSTEN correspondent: "No Longer Any Bed of Roses for Palme"]

[Text] Stockholm, 14 Mar--Hard economic reality in Sweden is now creating big problems for the Palme government. After a scant 6 months in power, unemployment continues to increase and at the same time the expected positive effects of the devaluation in the spring are still awaited. There are rumors of conflict in the government on economic policy.

Concerning the goal, on the other hand, there is no disagreement. Both before and after the election the Social Democrats put the fight against unemployment, inflation, and the big budget deficit above everything else. The disagreement is about methods.

The unemployment figures for February were not cheerful reading for the government. Normally it should decrease in February, but this year there was an increase of 8,000 over January. Unemployment is now 3.6 percent, and that means that 155,000 persons are completely unemployed, while 183,000 are employed by labor-market projects [i.e., projects for the purpose of creating jobs].

The increasing Swedish unemployment this winter must also be viewed in the light of the fact that the government has already allotted 4 billion kronor for various employment measures. Now the labor market authorities are asking for another billion kronor.

But Finance Minister Kjell-Olof Feldt hesitates and points to the poor economy. He says that we must count on continued high unemployment this year. Feldt hopes, however, that the effects of devaluation, partly in the form of increased exports, will lead to increased demand for labor in the private economy.

Prime Minister Olof Palme concedes that the unemployment is unacceptably high. His problem, and more especially the finance minister's, is that Swedish industry today is far from utilizing its production capacity. It will take a long time--even after an expected economic upswing--before industry can fully utilize the existing capacity, and even longer before it can invest in expansion and thus create the new jobs so much desired.

For that reason the spotlight is directed more and more toward the public sector. The government seems to think that it is there that new jobs must be created. But at the same time the same government is fighting to slow down the growth in public expenditures. And that, after all, does not create new jobs. On the contrary, it threatens existing jobs.

It is in this situation that critical statements are coming from LO [Swedish Federation of Trade Unions] circles, among others from the head of the LO himself, Gunnar Nilsson, to the effect that perhaps the government is too much concerned about the budget deficit. Nilsson told LO-TIDNINGEN [the LO Newspaper] that the deficit will not have the catastrophic effect that many think. He warns against too great public saving. That can be fateful, he says.

In still more radical LO circles it is said outright that the Social Democrats' proposal for an increase in the communes' growth by 2 percent is too little. "We should avoid unemployment like the plague. Raise taxes, then, and create more jobs," says the LO economist Anna Hedborg.

Finance Minister Kjell-Olof Feldt is willing to increase taxes to some extent, but first and foremost he wants to continue his tightening up. He says that the high budget deficit has led to too high a level of interest rates, and that that is what is costing the country many jobs.

The finance minister and Palme himself are trying to conduct a tight policy as far as possible. They want to create good conditions for viable parts of industry, and not go as far as the non-socialist governments did in automatic subsidies to crisis-hit firms, they say. But the pressure from strong trade unions makes it very difficult for a Social Democratic government to be consistent.

At the same time that according to parts of the trade union movement and several of the party's foremost economists the government should rely on expansion instead of saving and tightening up, other voices are raised demanding precisely the opposite.

Bengt Dennis, the Social Democratic head of the national bank, e.g., demands a harder-handed policy. Stop the subsidies to business and shut down doomed state enterprises, he demands. Only with such a policy, he says, is it possible to reduce the state's enormous budget deficit.

The head of the national bank points to the finance minister's promise that the present budget deficit of 90 billion kronor shall not increase in the next budget. Dennis is afraid, however, that the government will not follow up its words with action.

The government is already engaged in examining its expenditures in connection with the preparation of the next budget. But it is under heavy pressure from several quarters. Especially problematical is the trade union movement's demand not to save in the public sector in such a way that jobs are threatened. There is also a fear that cold economic realities may force the government to do something about the automatic increase in expenditures in the social sector.

KETENCI ON MINERS RIGHT TO STRIKE

Istanbul CUMHURIYET in Turkish 24 Mar 83 p 7

[Article by Sukran Ketenci in the Column "From the Worker's World" "Miners and the Right to Strike"; passages enclosed in slantlines printed in boldface]

[Text] About those things everybody was saying after Turkey's greatest fire-damp tragedy... When shared guilt and sinfulness were the topic of conversation and the talk was mostly about someone else's responsibility... There also was talk of getting proper attention paid to workers' safety and job security, thanks to the regulations trade unions would obtain through collective agreements...

It is in that light that we examine the collective agreements made between the EKI [The Ereğli Coal Workers] and the Miners' Union for Zonguldak and its Localities: we believe this may be one of the subjects which could bring the fewest criticisms of the trade union. In the agreements there are very many clauses related to workers' safety and job security. In practice, though, how did those clauses work?

At the Union's Meeting of the Board, which took place between the 21st and the 23rd of March, this problem with its various angles appeared on the agenda. And the delegates who made speeches on the subject of worker safety and job security attempted to show that the union had played a forceful and constructive role. However, the questions raised, particularly on regulations about job security not being adhered to by employers showed the other side of the coin. Twice in recent times, this question came to the point of a strike and courts stopped the strikes with the reasoning that /"providing security was the responsibility of the management and supervision that of the state."/ And now that the Constitution of 1982 bans striking for rights, regardless of amendments, with such a ruling it is not possible to call a strike. Which means that even if the best possible regulations on workers' safety and job security are obtained in collective agreements but precautions related to those regulations are not taken on work sites and the pertinent regulations of the agreements are trampled underfoot, it cannot be said that the unions have any enforcement power other than resorting to tribunals. Even though it may be clear that the workers' lives are endangered, there is the necessity to continue production.

Aside from the question of compelling employers to take safety measures by the right to strike, according to the bill related to readjustments of the law the union is powerless even to enforce the clauses it brings to the agreements. The section of the bill relative to striking is not curtailed. If, as is the case today in the readjustments of the law, coal-miners are denied the right to strike, the unions will be unable to make a stand for the clauses of

the agreements. Because, if the parties fail to agree in the course of collective bargaining on the subject of precautions related to the safety of workers, the matter will be relayed, as happens with salaries, to the Higher Arbitration Courts and the system of compulsory ruling in the legal sense. The pertinent clauses of collective agreements will take their final form in the Higher Arbitration Courts, at the hands of people who are totally outside the subject of worker safety and job security.

When one looks at the evolution of the international workers' movement, it is apparent that miners made their mark and were influential in establishing and making use of the right to strike. Yet the new Constitution and the amendment in the bill take away from coal-miners, in the Constitution, striking for their rights, and in the bill, the right to strike if there is a divergence of views in collective agreements. The Board of Directors of the Miners' Union for Zonguldak and its Localities, with a motion that was passed unanimously, sent a telegram to the President of the Republic. It asked that /"Coal-miners be not denied the right to strike."/
Chairman of Turk-Is [Turkish Confederation of Labor] Sevkett Yilmaz said, in a speech he made at the Meeting of the Board, /"It would show a lack of conscience to say to the miner who swings his pick in the shaft where his father died the day before, you have no right to strike."/

12278

CSO: 3554/212

SPO REPORT ON RETURN OF GUEST WORKERS

Istanbul DUNYA in Turkish 22 Mar 83 p 8

[Text] ANKARA (DUNYA) The Lower Commission on the Problems of Guest Workers, set up by the Special Commission of Experts on Organizing Working Life which was established within the framework of preliminary studies on the 5th 5-Year Development Plan, prepared a report which said that the number of workers returning to Turkey from the German Federal Republic was 919,000 and, noting that it was likely this number would greatly increase in the years to come, criticized the fact that the necessary steps had not been taken to solve the problems which might arise from their return.

The Lower Commission on the Problems of Guest Workers, which was appointed by the State Planning Organization and is constituted by representatives of various public institutions, draws attention to the fact that the homecoming of guest workers was accelerated by the economic stagnation which began in November in the German Federal Republic and adds, in its report: "the number of our citizens who were registered as having come back home for good between 1973 and 1982 is 919,018." The report goes on to say: "The measures which were taken and are being planned by the German Federal Republic are of a nature to cause returns on a large scale" and voices the opinion that: "a greater number of Turkish workers is expected to return for good in the coming years, in comparison to past years."

The report pointed out that the workers who are employed abroad as well as their children who study there will also be bringing with them serious problems, when they return to their country, and continued more specifically:

"Adequate measures have not been taken to face the problems which might arise in the event of a mass return of our workers as the result of an economic crisis abroad. A study of the work carried out between 1963 and 1982 by the various branches of all the ministries and institutions involved with the problems of guest workers shows that this very important question is distributed among many ministries and public institutions but that there is insufficient coordination and exchange of information between them and that each institution makes limited attempts to achieve something within its own structure, solely with regard to matters which are its own concern."

Measures

The report stresses the necessity of taking early measures to solve the problems of settlement, handling and education of the workers who return en masse and asks that: "the help which they will be given, in the course of their return, does not remain abroad by being spent on permanent consumer goods." The Lower Commission report also stresses the necessity "to begin now to determine in detail all the new readjustment strategies and the necessary steps which will make it possible to inject into the nation's economy the foreign currency brought into the country, without creating inflationary pressures" and then goes on to point out the following measures:

"Our Customs and Free Imports Regime must be revised in such a way that they will answer the needs of our workers who return for good, without, at the same time, encouraging them to return. Returns must occur without any sort of pressure, by the citizens' free will and adequate opportunities must be provided to make the future safe."

The report notes that from the guest workers' viewpoint, one of their most important problems when they come back for good, is the question of their children's education and it asks that the necessary measures be taken, starting now, and that new regulations be considered in the field of education, to shorten the children's period of readjustment.

12278

CSO: 3554/212

CHARGES OF 'CONFUSION, INEFFICIENCY' IN U.S. FOREIGN POLICY

Nicosia I SIMERINI in Greek 13 Mar 83 p 5

[Text] Sebastian Haffner, a German with British citizenship, speaking in March of 1962 at the American House in West Berlin wryly said the following: "American policy is simple: it is neutral towards the enemies of America, friendly towards the neutrals and hostile towards its friends." And, according to reporter Marguerite Higgins, who was present at the conference, "the significant point of this statement was not the bluntness of the expression, but the fact that the audience, consisting of residents of both Berlins, gave such a reception to what was said that the applause would not stop." In a word, the audience approved the speaker's position.

A little later, American author, William Lederer, in his books "The Ugly American" and "A Nation of Sheep" chastizes his countrymen for their stupid policy of embracing inconsiderately and unthinkingly all the corrupt and dictatorial regimes, of protecting and bribing dictators and political ravagers of every kind, of spending billions of their dollars to support various anti-democratic and wickedly corrupt regimes, and, in the end, of receiving, instead of gratitude, the outcry and the anger of the popular masses, which, the stupidly believe they benefit.

The developments, which have taken place since the time the above determinations were made about the foreign policy of the United States until today, fully justify both Haffner and Lederer. Do you want specific instances? Vietnam, Iran, Latin America, Turkey. What did the Americans do in these countries? They were paying, and are continuing to pay in some of them, to make enemies instead of friends. They have already left Vietnam and Iran with no return. In some countries of Latin America they desperately try to hold on by scattering billions of dollars in support of dictatorial regimes. They open the taps of their treasury and their defense industry in order to gain support. They tolerate the crime of the Turkish Attila against Cyprus. They ignore the threats and the offensive attitude of the new Sultans against Greece, and they strive desperately to support Evren's junta.

The United States has reached the point of ignoring the strategic importance of Greece and the value of their bases there. They talk of their transfer to another country, meaning Turkey. "As far as the Pentagon is concerned," Assistant Secretary of Defense of the U.S., Mr. Perle recently stated, "the American bases

in Greece are of no vital importance and as for the job they do, other ways can be found." And in order to complete his diplomatic blunder he added, "Studies have already been made, for security reasons, for the eventual transfer of the American bases from Greece to another country..."

This statement was made by Mr. Perle at a time when his government is conducting talks in Athens for the continuation of the American bases in Greece. At a time, that is, when he already recognizes the vital importance of the bases, because if he did not recognize something of the sort, then why the negotiations? Why the comings and goings of Mr. Bartholomew between Washington and Athens? From these facts it becomes clear that the assistant secretary of Defense of the U.S. has committed a diplomatic faux pas. His colleague in the State Department, Mr. Burt, more of a diplomat as it happens, hastened to dispel the impression by saying, "These bases are definitely of great importance to the United States. We recognize the importance of our bases in Greece and we are negotiating in good faith, seriously and sincerely for the preservation of the defense cooperation between Greece and the U.S."

However the question is not whether America recognizes the importance of its bases in Greece or not, but the loud and diametrically opposed views which its two assistant secretaries expressed at the same hearing of a Senate subcommittee, views and positions which reveal confusion, incompetence and inefficiency in the American foreign policy, views which justify both Haffner and Lederer.

9731

CSO: 3521/250

KYPRIANOU VISIT TO WEST EUROPE APPLAUDED

Nicosia I KHARAVGI in Greek 17 Mar 83 p 3

[Text] The announced May visit of President Kyprianou to West European capitals is necessary and certainly useful for giving an impulse to the question of Cyprus. The countries of Western Europe have maintained an indifferent and some of them a rather hostile posture with regard to our problem. At best, they avoided proceeding to take any kind of action in favor of the restoration of international law in Cyprus. At worst, they encouraged Ankara to continue the trampling of independence, of sovereignty and territorial integrity by providing it with all types of military, political and economic support. The governments of the Western European countries must be made to face their responsibilities by the president of Cyprus and they will be called upon to exercise their influence on Turkey to allow for the just settlement of the Cypriot question. In particular this matter concerns Great Britain, which has special responsibilities and treaty obligations both for the creation of and need for a solution of the problem. It also concerns Italy, whose president will meet with President Kyprianou, as a Mediterranean country which has interests in our area and cannot but show interest in neutralizing a source of tension which threatens the peace and stability of our common geographical area.

Without nurturing false hopes for a possible dramatic change in the Western European stance, vis-à-vis our problem, we believe that by clarifying our positions and demands, we can influence it positively or at least moderate the effects against us. The tour by President Kyprianou will surely be useful from this point of view. We point out that the move by the government of Cyprus towards the countries of Western Europe is taking place within the framework of our non-aligned policy which leaves the interconnections with the West intact while it assures the support of the large movement of the Non-Aligned and Socialist countries for Cyprus and its problem. In contrast to this patriotic policy there is the servile policy of the extreme Right, which while not only would make Cyprus a subject of NATO and those responsible for the 1974 disaster, but would, in addition, isolate us from the rest of the world.

Undoubtedly, the Greek government which is actively moving among the Western European area in favor of the Cyprus question, will desively help the Cypriot efforts. The pessimism and nihilism of some circles is unjustifiable and pernicious.

APPEAL TO COMMONWEALTH THROUGH BRITAIN

Nicosia 0 FILELEVTHEROS in Greek 16 Mar 83 p 3

[Text] The participation in the large group of those states which are members of the Commonwealth is absolutely voluntary. If Cyprus did not wish to be part of this group, it would have done so from the first day of its independence when the feelings of bitterness towards Britain, which is the leader of the Commonwealth countries, were strong. We did not stay away from the Commonwealth because we believe that we have, with all other member countries (former British colonies or dependent countries), some general common purposes and goals to pursue.

We know that in several areas such as education, science and society in general, the Commonwealth has offered a positive service to the peoples of the countries which compose it; these attainments constitute, by extension, a contribution to the world-wide effort to strengthen world peace.

With reference to our national problem, we can say that the postures supported by the summit conferences of the members of this large family are satisfying to us. However, as unfortunately happens with the resolutions of the United Nations, they remain postures with only a theoretical, academic value.

Perhaps Britain could not undertake a more active role in order to carry out the proclamations of the Commonwealth on the question of Cyprus, so that one of the international problems might find its just solution?

9731

CSO: 3521/250

SUPPORT FOR PROPORTIONAL SYSTEM

Nicosia O AGON in Greek 12 Mar 83 p 1

[Text] The Democratic Rally supports, without hesitation, the proportional system for the forthcoming municipal elections and places itself, without reservations, against the return to the majoritarian system.

Sources connected with Democratic Rally pointed out to our newspaper that the proportional system is more democratic in any light.

The same sources reported that it is not just for us to use two electoral systems, depending on the situation.

9731

CSO: 3521/250

PARTIAL TURKISH SUCCESS IN NONALIGNED MOVEMENT 'PREOCCUPYING'

Nicosia I SIMERINI in Greek 11 Mar 83 p 3

[Text] The fact that the attempt by the Turks, via friendly nations, to submit to the summit conference of the Nonaligned Movement a draft resolution which favors their own position failed should not make us enthusiastic. On the contrary, it should concern us because our adversaries have secured even a few supporters and warm advocates in a movement where they do not belong and are not represented. Most of the Muslim countries, which undertook to push the Turkish positions in the Nonaligned Movement, are not negligible. Saudi Arabia, Morocco, Pakistan, Indonesia have their own allies and can influence a greater number of countries to which they are related by race, religion, politics and policy. Even if they did not succeed in obtaining a favorable vote for their resolution, their actions within the framework of the summit conference will one way or another influence the contents of the final resolution which will be approved for Cyprus so that it will not be exactly the way we wanted it. This situation will have a proportionate repercussion at our recourse to the United Nations General Assembly, where Turkey is represented and the Turkish Cypriots have unofficial access. In other words, the new attempts to bring the Cyprus question on the world arena by our government, is not an easy matter nor is it without dangers because the passing of time allows the opposite side to gain followers by making its positions known internationally. In order for things not to develop this way there is a need to take specific steps and assume political responsibilities which, however, presuppose the crystallization of objectives. Up to now these do not appear to exist. They can only exist with the formulation of an all-national policy on the Cyprus question.

9731

CSO: 3521/250

INTERNAL SDP PROBLEMS INFLUENCED EC SANCTIONS, TF DEBATE

Solidarity Representative Hits Sanctions Lifting

Copenhagen BERLINGSKE TIDENDE in Danish 25 Mar 83 p 2

[Article by Jens Thomsen]

[Text] Denmark's lifting of the sanctions against the Soviet Union will have a harmful effect on developments in Poland and it will be regarded as a Danish acceptance of the policies of the military government, according to a representative of the free trade union, Solidarity, Viktor Drukier, speaking to BERLINGSKE TIDENDE today.

Nothing Has Improved

"Every form of pressure against the Polish regime supports the Polish people. We in Solidarity are not so interested in whether the sanctions are reasonable or not, but they are the only way the western world can show that it does not approve of conditions in Poland. Things have not improved in Poland, on the contrary. The suspension of martial law is a purely cosmetic maneuver that has not changed anything. There are still 3,000 political prisoners in Poland and people are still arrested and sentenced," Viktor Drukier added.

Soviet Propaganda Utilizes Danish No

"Danish abandonment of the sanctions policy will also be used as part of the Soviet propaganda in Poland. It is not really a question of the sanctions hurting Poland or the Soviet Union economically. That is not possible, but we view the western sanctions--including the Danish sanctions--as an expression of a moral attitude that is important to the people of Poland. We in Solidarity also feel that western countries, including Denmark, should link a delay in payment of Polish debts to a demand for the release of political prisoners in Poland."

Foreign Minister Acts

Copenhagen BERLINGSKE TIDENDE in Danish 25 Mar 83 p 2

[Article by Michael Ehrenreich]

[Text] Industrial Affairs Minister Ib Stetter will issue a special directive preventing the importation of goods from the Soviet Union for resale to other EC countries if they are affected by the sanctions which no longer apply in Denmark.

Ban on Re-Export

The plan calls for submitting the directive to Folketing's Market Committee today to determine if there is political support in Folketing for such a ban on re-export.

The Market Committee will also, at the request of the Social Democrats, have an orientation from Prime Minister Poul Schluter on the government's consultations with the EC Commission on the extent to which the continued bans in other countries on the importation of certain Soviet products cannot be circumvented by importation via Denmark.

These consultations had not been concluded as of yesterday afternoon, according to Poul Schluter.

Former Social Democratic Economic Affairs Minister Ivar Norgaard did not think the Social Democrats should oppose the directive.

"We want an account of the government's consultations with the EC Commission in order to ascertain the government's basis for issuing the directive. But of course we do not want other countries to import products they do not wish to import," said Ivar Norgaard.

Currency Law Invoked

The directive is being issued in reference to the currency law which makes it possible to implement trade restrictions in consideration of relations with other countries.

The special directive will also be presented later at an orientation meeting of the Folketing Currency Committee, which has not functioned since the first oil crisis in 1973 prior to the decisions on banning car travel on Sundays and restricting highway lighting.

SDP Attack on Foreign Minister

Copenhagen BERLINGSKE TIDENDE in Danish 26 Mar 83 p 2

[Article by Lisbeth Knudsen]

[Text] A subcommittee of the Folketing Market Committee will determine in April if the mandate issued to ministers should be changed. The subcommittee was formed at the wish of Social Democrats against the background of the hectic debate on Foreign Minister Uffe Ellemann-Jensen's administration of a mandate in connection with the sanctions against the Soviet Union.

Yesterday morning, Prime Minister Poul Schluter held a summit meeting with the chairman of Folketing's Market Committee, Arne Christiansen (Liberal) and the Social Democratic market spokesman, Ivar Norgaard. Sources have told BERLINGSKE TIDENDE that the prime minister made it quite clear yesterday to the Social Democratic leadership that the government will not accept further serious defeats in the area of foreign policy and on the current issue of EC sanctions.

Later yesterday the Social Democrats backed the government's plans for a directive banning the re-export of Soviet products that can now be imported legally into Denmark. The directive is part of an agreement between the prime minister and the chairman of the EC Commission, Gaston Thorn, to ward off protests from other EC countries that Soviet products might slip into EC countries that have maintained the sanctions via Denmark.

The Social Democratic Folketing group also decided that the party would not cosponsor an SF-VS [Socialist People's Party-Left-Socialist Party] official question about the foreign minister's administration of the mandate in connection with the EC sanctions. But party spokesman Ivar Norgaard did say that the party will vote for a possible resolution stating that the foreign minister exceeded his mandate. But that view is not shared by a majority of those in Folketing, consisting of the government parties, the Progressive Party and the Radical Liberals, who will insure that the government and the minister avoid receiving a vote of no confidence.

Following the meeting of the prime minister, Arne Christiansen and Ivar Norgaard, the government decided to support the subcommittee of the Market Committee which will now look into the issuing of the mandate. According to Ivar Norgaard, the Social Democrats will not require the issuing of a written mandate, a move the government has sharply rejected.

The issuing of a written mandate will appear in a proposal from SF to the subcommittee.

At the moment, mandates are issued verbally in the Market Committee and no reports are issued of the committee's meetings. When ministers have made

oral presentations of their negotiating plans, the committee chairman determines if they have the backing of the committee majority. This procedure has given rise to a great deal of debate in connection with the EC sanctions dispute as to what mandate the foreign minister was given by the Market Committee in the recollection of various committee members.

SDP in Sanctions, NATO

Copenhagen BERLINGSKE TIDENDE in Danish 26 Mar 83 p 8

[Editorial: "A New Pattern"]

[Text] For many years it was one of the basic assumptions in Danish politics that nationalism could be found on the right wing of Danish politics, that nationalism existed to the right of center and internationalism to the left. This dividing line goes all the way back to the last century. One group called itself the European Left. And the young Social Democrats talked and sang about the International.

This image did crack somewhat during the struggle before the popular referendum on EC membership. People still have the flood of national arguments stubborn left-wing EC opponents issued ringing in their ears. A few more cracks appeared when the Popular Movement Against EC ran candidates for the European Parliament. There was that line in the movement's election campaign about wanting representation in the parliament in order to slow down the European unification effort as much as possible.

They certainly tried to slow things down, but they did not entirely succeed in producing results. At least not in the parliament. Perhaps it worked better on the Danish scene. For the Popular Movement has been able to approach the kind of nationalism one would otherwise have associated with those to the right of center--in the last century.

The Popular Movement may also have managed to get a foot in the door of the bodies where the Social Democrats discuss their stand on current international issues. Krag and Anker Jorgensen did succeed in restoring party unity on a positive attitude toward EC in the early 1970's. But there still must have been cracks in which doubts about the correctness of international involvement could flourish.

It is in these cracks that Social Democratic policy has grown in recent months. The issue of the foreign minister's mandate is a notable example of the market doubts that are gaining a foothold in the party. If EC supporters had stood their ground, things would never have reached this point.

But the Social Democratic attitude toward Denmark's security policy problems and status is also undergoing change. The internationalism that drove

Hans Hedtoft to bring Denmark out of the isolation of the period between the world wars has been replaced by a nationalism that while it has nothing to do with dreams of becoming a superpower, does involve a feeling of self-sufficiency.

The result of these tendencies has been new and increasingly decisive testimony that internationalism at least can no longer be found to the left of center. The clearest pattern in sight is that the further the Social Democrats move away from a center position on domestic policies, the stronger the tendency to recline in a posture of national self-sufficiency. This is interesting as a theoretical pattern, but it is oppressive as a political reality.

Motives for SDP Resistance Viewed

Copenhagen BERLINGSKE TIDENDE in Danish 28 Mar 83 p 11

[Commentary by 'Monitor']

[Text] The foreign minister got through Folketing without having to receive a reprimand on the so-called sanctions issue. But what about the Social Democrats? 'Monitor' has looked at the matter and found three main reasons for the persistence of the Social Democrats. These are the unfamiliar opposition party role, the internal power struggle and personal differences between the foreign minister and the Social Democratic spokesman on EC policy.

On the 100th anniversary of the death of Karl Marx, Anker Jorgensen said that Marxism was the Social Democratic compass, but that the helmsman did not have to follow the course slavishly. While the late Karl Marx would undoubtedly deny that he was the one who mapped out the Social Democratic course, there is this element of truth in the imagery of the former prime minister that the party--while on its way toward unknown goals--permits itself to digress any time something interesting is in sight.

This is especially true in the areas of foreign and defense policy. Since the Social Democrats have assumed their unaccustomed opposition party role, each month has brought a new deviation from the course the party followed when it was responsible for national policy. And no one--not even the Social Democratic leadership--seems to know where the voyage is headed.

After disturbing the security policy the party itself backed while in power on several vital points, it is now the turn of European cooperation. There is some reason to believe that this month's disgraceful controversy over the EC sanctions against the Soviet Union is just the beginning of a new line that will lead the Social Democrats away from the European policy that has had broad support in Folketing in the past.

Thus Ivar Norgaard has announced that he wants to step up the Market Committee's control over ministers who participate in EC negotiations. Such ideas, which used to be presented by VS [Left-Socialist Party] and SF [Socialist People's Party], were rejected then by the Social Democratic government in power, which said correctly that this would hamper the government's opportunities to effectively safeguard Danish interests in negotiations with the other EC countries.

Several changes also seem to be on the way in the content of the European policy. The left wing whose views on security policy are now having an impact has long been dissatisfied with the European cooperation that Anker Jorgensen and Kjeld Olesen seemed to emphasize and value when they were ministers. Thus there is reason to fear that a more fundamental change is on the way in this part of the Social Democratic foreign policy as well. And this could very well be hastened by tactical considerations as to how the party can define itself with a sharper profile prior to the next European Parliament election which will be held next spring.

The peculiar move with regard to the EC sanctions cannot be explained in terms of an altered perception of the Soviet Union or of developments in Poland. The foreign minister's question to the Social Democrats about what in the international situation could motivate lifting the sanctions has remained unanswered.

And the explanation cannot be found in a fundamental disinclination to use sanctions as an instrument of foreign policy, since it was the Social Democratic government itself that backed both the now controversial sanctions and the EC sanctions against Argentina. Regardless of the modest concrete effect of the sanctions, one cannot deny their political and symbolic importance--especially not now when the sanctions policy is leading to schism in the western camp, as is abundantly apparent from PRAVDA's description of the Danish situation.

Instead the explanation must be sought in the problems the Social Democrats are having in finding a firm footing as an opposition party, in the internal power struggle on the part of Social Democratic politicians and in the personality conflict between the foreign minister and the Social Democratic spokesman on EC policy.

In the same way as the intensified security policy debate has helped to underline the internal split of the Social Democrats and has tempted party leaders to adopt positions presumably more popular on the left wing of the party, the freedom of responsibility of the opposition role has led to a flirtation with the internal EC opposition.

However the fight between the different factions is also a struggle between different people for the role of party spokesman on these matters. Kjeld Olesen, who as foreign minister was responsible for Denmark's support of NATO's dual decision as well as for European cooperation, has

chosen a low profile. The desire for a prominent ambassadorial post almost seemed like throwing in the towel, although at the time he did not feel under so much pressure that he would have been thankful to accept the post in Lisbon.

Kjeld Olesen's responsibility for the policy the party is now abandoning has given other members of the group a chance to pursue their ambitions in the area of foreign policy. Lasse Budtz is trying with unclear and ambiguous statements to become the one to unite the irreconcilable positions on security policy. As the new EC policy spokesman, Ivar Norgaard has not been slow to return to his earlier critical views on EC from the time before he himself became minister of economic affairs. And it is not a good sign when one considers that he is also chairman of the party committee that is shaping the program proposal that will be discussed at the party congress in the fall.

But the internal power struggle in the Social Democratic Party is inadequate as an explanation of the sharp personal tone in the clashes between Uffe Ellemann-Jensen and Ivar Norgaard. Personal relationships between members of Folketing are normally of no real interest to the voters, but in this particular case they are hard to avoid. The animosity toward the foreign minister goes farther than the differences of opinion that can naturally occur between a minister and a spokesman for the opposition.

The foreign minister's well-developed polemical style has not pleased Social Democratic ears and his obvious success in several international matters has been an irritation. Both Danish and foreign newspapers have been much more lavish in their praise of Uffe Ellemann-Jensen than most people expected when he was named to the high post to the great surprise of many--including many veterans within his own party. This success has given Social Democratic leaders an uncontrollable desire to deal the foreign minister a political defeat that could check his skyrocketing success and instill in him a certain humility in his relations with Social Democratic ex-ministers.

Allowing such considerations to guide national policy in relation to the rest of the world, however, has nothing to do with objective opposition policy of the kind voters might reasonably expect from the country's biggest party. It helps undermine the confidence in the political system which the internal affairs minister has correctly indicated as a central problem. And the vacillating foreign policy course that is a result of the Social Democratic actions makes it impossible to effectively safeguard Denmark's interests in the international cooperation on which we are so dependent.

FINLAND, FINNISH PRESS VIEWS ELECTION RESULTS

Roundup of European Press Opinion

FINNISH PRESS VIEWS ELECTION RESULTS IN FINNISH 24 Mar 53 p 6

[Article: "Foreign Newspapers Speak of Protest"]

[Text] Foreign newspapers have devoted a rather large amount of space to Finland's parliamentary elections. In general these newspapers believed that government negotiations would be lengthy, as is usual in Finland. The newspapers saw no chance of the Conservative Party's getting into the government. The same fate was forecast for the SKDL [Finnish People's Democratic League], which suffered defeat and whose disintegration is anticipated.

Protest Brought Virsalainen Down

A protest election in the press of the Federal Republic of Germany's common opinion regarding the election results and the SMP's [Finnish Rural Party] victory. The parliamentary elections were apparently under discussion on Wednesday. The FRANKFURTER ALLGEMEINE ZEITUNG, which published two rather lengthy articles by its Scandinavian correspondent, Werner Adam, in its political section, reviewed them most extensively. Both the Bonn GENERAL ANZEIGER and the Munich SÜDBAYERNISCHES ZEITUNG also commented on the elections in their editorials.

Johannes Virsalainen's (KESK [Center Party]) defeat and Jouko Kajaranta's (Communist) failure to get in also received some attention. The Communists are regarded as the real losers in the election. The newspapers were of the opinion that the Conservative Party, which it was generally predicted would win, would still remain in the opposition after its defeat.

FRANKFURTER ALLGEMEINE ZEITUNG correspondent Werner Adam interprets Johannes Virsalainen's defeat and Aulis Kallio's rise as a protest.

Adam credits the success of the Social Democrats to the account of the Kallio's failure. In his opinion, the Conservative Party has not succeeded because it has not been able to win the support of the Social Democrats in its foreign and domestic policies.

Adam also pointed out that Kekkonen opponents Junnila and Thunrooth are once again in Parliament. In Moscow this is undoubtedly viewed dimly. The Communist defeat is, nevertheless, scarcely a surprise to party leader Andropov. As this "intimate connoisseur of Finland" knows, no other communist party is as tattered and torn as ours.

But Adam went on to say that we are still left with the SNP's really incredible success. Behind it are disputes over the benefits for members of Parliament and corruption scandals involving the subway.

The FRANKFURTER RUNDSCHAU also drew attention to Paavo Vajrynen's summer cabin as one reason for the protest.

The Munich SUEDDEUTSCHE ZEITUNG drew attention to the fact that the Soviet news media are now reacting to the Finnish elections in a restrained manner.

That newspaper's foreign department chief, Josef Riedmiller, also related in an article that Mauno Koivisto has destroyed the myth that only Urho Kekkonen and the KESK had the power to create favorable relations with the Soviet Union.

Center Has Weakened

Spain's leading newspapers feel that the outcome of the Finnish elections does not mean any major change in the political map of Finland. According to the Spanish comments, there is not too much reason to expect changes in Finland's domestic or foreign policy. The very widely circulated liberal EL PAIS and conservative ABC examined the Finnish elections most extensively. Both of them headlined their reviews with the Social Democrat election victory and regarded the Conservative Party's poorer showing than predicted as a surprise.

According to EL PAIS, Finland's government negotiations will be difficult. According to the newspaper, the "decline of credibility in the Center" is creating problems in the government negotiations.

Conservative Party Had the Wrong Advice

According to the conservative Norwegian MORGENTHAUDET, the results of the Finnish election are a sign — as the newspaper says — of the shattering of the Kekkonen complex in Finnish politics.

"The oppressive atmosphere against which the voters have registered their protest was the result of the fact that political success in Finland was due less to capability and principles than to the ability to agree with the president. This brought with it many unhealthy situations which the voters wanted to say no to," the newspaper wrote.

According to MORGENTHAUDET, the election results are probably also a thought-provoking reminder to the Conservative Party that the voters have not been particularly happy about the party's concentrated efforts to conform to the Center and be approved of as a party fit to join the government.

According to the Worker Party organ, ARBEIDERBLADET, the election results confirm the Social Democratic Party's (SDP) position as Finland's leading political force.

This newspaper regards the SDP's victory as a most hazardous affair. The party's entrance into Parliament with 10 percent of the electorate behind it means a new uncertainty factor in Finnish politics. ARBEIDERBLADET wrote that Finland would have done well to have spared itself precisely that.

The conservative AFTENPOSTEN wrote that Finnish politics is capricious and that there is a floating electorate in Finland. "Despite the dangerous trend constituted by the SDP victory, the Finns consistently opt for earnestness in domestic and foreign policy."

A Real Hangover in Finland

The independent liberal Swedish daily, DAGENS NYHETER, handled the Finnish elections on its Wednesday editorial page with the title: "Post-Celebration Spirits in Finland." "In Finland 22 have a real hangover. However, the election campaign was neither a very big celebration nor a big bash," the newspaper wrote.

The SDP victory will mean a topic of serious debate for those parties that are more traditionally oriented. Especially the Conservative Party will feel mortified. Many voters reacted negatively to the calm tones in which unemployment and economic difficulties were presented. They latched onto different scandals and wanted only to punish those responsible for them, to "throw out" the established politicians.

In its editorial DAGENS NYHETER asked what would now happen in Finland. The newspaper was of the opinion that the SDP's return in grand style may be regarded as being a revolt by many voters against mutual understanding politics and strong majority governments.

The independent nonsocialist Swedish SVENSKA DAGBLADET wrote on Wednesday that the Finnish parliamentary elections bore almost all the characteristic signs of being protest elections. The newspaper considered the elections to be contradictory and added that this is often the case in Finland.

The newspaper asserted that, despite the vehemence of the protest election, the number of seats the current government coalition parties command increased.

Explaining the reasons for the success of the SDP, the newspaper regarded the Conservative Party as having gone through the best election it has in modern

times. In opinion polls, the newspaper estimated that its moderate success was viewed as a setback considering the fact that the party had been a part of the election system.

"Finland Is in Europe"

In reporting on the election results, the French and Swedish newspapers estimated that putting together the new Finnish Government may be a long and difficult task.

The prestigious French afternoon paper, *LE FIGARO*, noted as early as Tuesday in its editorial that President Mauno Koivisto will for the first time have to serve as an arbiter in the government negotiations. During the next few days we will see how he interprets the broad powers granted him under the Constitution.

The newspaper reminds us that his predecessor always resorted to maneuvers the purpose of which was to, after going through a round of honors, wind up with a Center-Left government coalition, preferably including the Communists.

The newspaper allows plenty of time for the Finnish Government negotiations because, in its opinion, the matter "must in any event be settled before the president's trip to Moscow in June."

Another newspaper that considered the Finnish elections to be deserving of editorial space, the French-language Swiss *JOURNAL DE GENEVE*, asserted, complete with exclamation point, that "Finland is in Europe!" By this the paper intended to make the in its opinion somewhat surprising observation that the same kinds of political winds blow "among our very remote relatives in the North" as elsewhere in our part of the world.

"This small democratic heart beats at the same rate as the rest of Western Europe," among other things with respect to the fact that the advance of the Conservative Party, which represents conservative economic views, has stopped. "It would appear that during a period of serious economic threat voters do not choose the strictest platform, but the most reassuring one, be it on the Left or on the Right," the newspaper commented. In its opinion, such behavior marked the West German elections and will probably be repeated in the elections that may be held in England and in the April elections in Austria.

In nearly all the newspapers that reported on the Finnish elections, the SF's success was given a lot of space as an indicator of a broad spirit of protest. Right in its headline, the *NEUE ZÜRCHER ZEITUNG* spoke of "protest and action elections." The French *LE QUOTIDIEN DE PARIS* branded the advance of the Finnish "Foujadists" — in their time constituting an important French protest movement — "as downright shocking."

Finnish Papers' Editorials on Outcome

Jouko AALTOINEN *SAKARI* in Finnish 24 Mar 83 p 7

[Text] Interpreting the outcome of the parliamentary elections, editorialists pondered government alternatives, the reasons for election victories and defeats and the protest nature of the elections.

Protest Revealed at Opposition

"It is easy to explain the surprising outcome of the elections as a protest, but it is much harder to show what all the voters' protest was aimed at," the independent non-socialist UUSI SUOMI wrote.

"The undeniable losers were the Communists and the Christian Leaguers. But the Conservative Party, whose defeat can only really be spoken of in relation to the success the opinion polls had forecast for it, also joined the ranks of the losers.

"It would thus appear that the voters did not level their protest at the government coalition parties, but rather at opposition policy.

"The biggest loss for the Conservative Party was perhaps, however, the fact that the party was incapable of channeling the voters' obvious protest mood to its advantage.

"It did not act as a strong opposition should, which is why it identified itself with the parties in power.

"The Conservative Party's opposition policy did not bear the hoped-for fruit. It satisfied the party's permanent supporters, but it did not inspire the voters who participated in the protest march. We might say that the party sacrificed its election victory on the altar of a cooperative policy."

Not All That Difficult

In the opinion of the chief SDP organ, SUOMEN SOSIALIDEMOKRAATTI, the initial impression of the elections was that the forming of a government would be a long and difficult process. "That is, of course, possible, but not as inevitable as one might think on the basis of the shift in votes.

"In the end it turned out that those parties now in the government, counted as a whole, increased the number of their parliamentary representatives. The Kesk's number of seats also grew, which should increase that party's ability to cooperate. The disappointment over the seats it might have lost would have made life very hard for the Kesk and made it hard for it to live with the other parties. Now there should be no need for that's happening."

Clear Majority, Clear Majority

"The result of the elections was remarkable, but the present government coalition parties will, nevertheless, obtain a clear majority. The Kesk, the Swedish People's Party (SAP) and the SDP still constitute a majority," the chief Kesk organ, SUOMEN KESK, wrote.

"The main reason for showing in the election results was still cause for concern to the voters, but surprisingly little. The Communist and SDP parties were stated that it can no more be presumed that socialism will be achieved through the actions of the People's Democrats

and Social Democrats than those of any other groups. Several of the extreme right candidates made a lot of noise, but they appear to be more relics of past decades than progressive idealism."

Peculiar Deadlock

In the opinion of the chief SKDL-GKP [Finnish Communist Party] organ, *KANSAN UUTISET*, as a result of the outcome of the elections Finland seems to have gotten into a peculiar political deadlock.

"The chance of forming a nonsocialist majority government has been ruled out because of the SLP's victory, the Conservative Party's setback and the Center's losses.

"A Social Democrat-Conservative coalition government is probably an impossibility, if only because the Conservative Party has clearly moved even more to the right.

"The present government coalition still has a majority in Parliament, but the Center's weak success will probably have an effect on that and on negotiations with the SKP. The majority would then be quite weak."

RKP's Dream of an Election

In the opinion of Jan-Magnus Jansson, the chief editor of *HUFVUDSTADSBLADET*, which has close relations with the RKP, the at first seemingly uninteresting election outcome is really interesting because of the many surprising changes involved.

Jansson pointed out that the present government parties increased the number of their seats by 3 to a total of 106. "Considering the coming government negotiations, that is a significant fact.

"The RKP had a 'dream of an election,' which is in many respects the best in many years. One would scarcely dare to think that the party might with one blow succeed in retaining both contested seats in the capital and winning a fourth seat in Pohjanmaa without increasing its overall support."

Jansson felt that the big SLP victory will not produce very big practical consequences.

Nothing Went Wrong

According to *KALEVA* (independent), which appears in Jyväskylä, in many quarters they are asking themselves what went wrong, since the outcome of the parliamentary elections was unexpected.

"Theoretically, it is pointless to ask such a question. Probably nothing goes wrong when citizens use the opportunity to exert their influence.

"Of course, there is, however, reason for parties — especially those that have lost — to ponder over what went wrong in their actions when an election victory is not forthcoming. Such deliberation is a kind of sorrowful political task, a trying one in the opinion of many too because in the process they have to exercise irksome self-criticism."

Profound Reasons for the SNP

In the opinion of LALLI (KESK), it would be short-sighted of us to attribute the rise of the SNP to people's stupidity or thoughtlessness.

"There are always more profound reasons for such obvious social movements and a study of them reveals something essential about the society and the situation it is in. Furthermore, people certainly voted for the SNP this time for very many different reasons.

"Vennano's last big victory occurred deep in the midst of a change in the structure of the rural sector. At that time the issue was a plea for aid for a forgotten people, the spearhead of which was aimed at the KESK, which had to bear the responsibility of government. Support for the SNP swallowed a great portion of the KESK's support then too.

"This time the issue is founded on a different kind of situation. All the parties seem to have lost votes to the SNP, but the KESK's loss was in the neighborhood of only about 1 percent. This time the reason for the protest is to be sought from an entirely different direction."

Conservative Party's Accompaniment

In the opinion of ILKKA (KESK), which appears in Seinäjoki, those who in the next few weeks will be making decisions on the composition of the government are not happy with the outcome of the elections.

"The Conservative Party announced its readiness to join the government before the elections and accused the KESK of having made a long offside run while involving both the former and the current presidents of the same charges. The Conservative Party increased its vote count and that may be regarded as a victory. The Conservative Party's entrance into the government would have been particularly unconstrained and would have corresponded to the will of the people. From the standpoint of the Center the Conservative Party's accompaniment could have been viewed as downright indispensable if the Center were to participate in the government. If the president had wanted the Conservative Party in the government, he certainly could have persuaded the reluctant SDP to agree to it — just as Kekkonen in his time made the Communists put up with the Center."

Farland Communist Dispute Viewed

By LAILI KALLIOJOKI, SAARNAI in Finnish 26 Mar 83 p 3

"The Communist Party's position is clear."

The Communist Party (SKP) revealed the final election count while the Right was still in the midst of its fragile illusion. Calling itself independent,

on the basis of the early evening election results on its front page the paper announced: 'Vayrynen's seat unsteady'," wrote PORJOLAN SANOMAT (KESK), which appears in HML.

In the opinion of the paper, it was hard for JUSSI JUONI to swallow the outcome of the election. "The question was merely to have been whether it was enough for chairman Ilkka Suominen to get a ministerial post or should he have been installed as prime minister in the future government. A Gallup-poll victory turned into a three-seat defeat.

"Now there is reason to ask whether Suominen's seat will be shaken, since as chairman of the Conservative Party he fumbled so badly during a big election debate on television that the Conservative victory that was considered to be certain and the aspiration to occupy the position of biggest party went down the drain. We have still not gotten any other explanation of the change in voting behavior than the chairman's weak television appearance just before the elections. JUSSI JUONI ought to think about that too, since the KESK did retain its position. Is now the time for Harri Holkeri to return to the party leadership?"

SIP's Prestige Is Rising

In the opinion of LAPIN KANSA (independent), which appears in Rovaniemi, having risen during the elections, the SIP's prestige will rise higher and higher and the Conservative Party is acceptable as a government coalition partner.

"This opinion has been confirmed by the obvious sympathy government party representatives have displayed when speaking about the SIP since the elections. When it comes to a showdown, however, teeth will probably be bared here too and the SIP's way to the government will be barred."

SIP Needs Effective Treatment

According to KILVA (independent), which appears in Juku, the discharging of Stalinist Communist Eino-Pekari Pennila from the party will have repercussions further afield than in just Lapland.

"If Pennila had lost, the fracture could perhaps have been quietly patched up. But effective treatment is absolutely required. The symptom has already gotten to be so serious that the disintegration of the whole party would be a surprise.

"Pennila is getting support from his ideological comrades. That support is of course partly leveled against the entire moderate wing of the SLP, even though the Lapland district may be used as a scapegoat. The timing is also right for a split, now that the elections are over.

"The fact that two small communist parties in Finland are much less than one divided one, even one still poses a few obstacles to this. The elections

indicated that a split would probably be downright fatal, particularly for the moderates. The party would be threatened with being ground to dust between the SDP and the Stalinists because it might no longer serve as a real alternative."

Political Party Chairman Gives Views

Helsinki Helsingin Sanomat in Finnish 27 Mar 83 p 6

[Text] Low Profile Is Finally Over

The low-profile era in Finnish politics appears to be over. This was bank director Harri Holkeri's appraisal of the outcome of the parliamentary elections given at the nonsocialist UUSI SUOMI. Holkeri also gave the party he led throughout nearly the entire 1970's advice.

"Those who are negotiating for the Conservative Party in the new Parliament and looking for the party have certainly gotten more advice and guidance these past few days than they need. Since the party received more votes in the election than it did the last time, Conservative Party objectives and policy are in no need of revision. If anything new is needed, it may be a shot of adrenaline. Then the Conservative Party can aggressively go about its business. With the help of that they will achieve the changes needed for positive development in Finland's domestic policy."

Vennamo Unwilling to Join the Government

The undisputed victor in the parliamentary elections, the SDP, does not seem to be interested in obtaining seats in the government. TUTTISESKUS, whose articles are published by many Centrist newspapers, has interviewed SDP chairman Peeka Vennamo.

"I would like to know the SDP will get into the next government?"

"I don't know that is either very likely or as something to strive for. Of course, it is not impossible. We would hope that Parliament's role would be strengthened and that we might return to a state of normal parliamentary activity.

This simply means that Parliament could exert its influence on those laws it wants, that they should be decided on in the government."

and in the "Green"

From the SDP ticket to be a member of Parliament, Miisa Kulkia seems to appeal to the "Greens" [environmentalists]. UUSI SUOMI's IHTALINEN has

Centrist as to be unfamiliar with the rules of the parliamentary delegation. She also asserts that, if she registers a protest against the delegation's action, she may vote against the delegation's

"I will never endorse so-called delegation discipline. If I am removed from the KESK parliamentary delegation, I will join the ranks of the 'Greens'.

"That is, after that happens Ville, Kalle and Liisa will be in the same delegation in Parliament."

Conservative Party Becoming More Conservative

KESK chairman Paavo Vayrynen assessed the Conservative Party's future in a weekly column that was published in LÄÄLI, which appears in Kokemäki, among other places.

"Aside from the unpleasant surprise it received in connection with the outcome of the elections, the Conservative Party, which advertised the elections with a fanfare as government elections, also underwent a considerable shake-up in its parliamentary delegation, which may be regarded as meaning that the Conservative Party is also clearly becoming more conservative. The voters mercilessly dropped many Conservatives who had stressed moderation and centrism, foremost among them party vice chairman Tapani Korttinen and parliamentary deputy speaker Juuso Haikio. Familiar Conservatives, the most well-known of them being Tuure Junnila of Helsinki, took their places. The future will tell what this shake-up means in terms of party policy."

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PAPER PROFILES KEY VICTORS IN ELECTION

Rural Party's Pekka Vennamo Surprised All

Helsinki HELSINGIN SANOMAT in Finnish 27 Mar 83 pp 25,26

[Article by Anu Juppala: "Four Roads to Parliament"]

[Text] Popular protest made election victor of Pekka Vennamo.

Party dispute made Esko-Juhani Tennila the election prince of Lapland.

Reino Paasilinna was a new channel inside the Social Democratic Party.

Ilkka Suominen's victory shored up the chairmanship of the Conservative Party.

JIT Moves into New Vennamo Era

No one seems to have anything bad to say about Pekka Vennamo. Even political opponents whom one might think had old scores to settle with him paint an extremely gentle picture of the election winner:

"Businesslike. Can hold his liquor. Doesn't chase skirts. Doesn't get mad easily. Isn't troublesome with money matters. Doesn't puff himself up like his father."

Somehow you believe all this when you are sitting face to face with this fellow who has been the subject of conversation these past few days. The election prince sits there homelike wearing a wool sweater. In his eyes is the endless weariness of many sleepless nights and in his words the cautious quivering of his mind:

"Yes, it's turning into an everyday affair. A lot of people are now jumping on the JIT (Finnish Rural Party) bandwagon since it has picked up speed. The phone has been ringing constantly. Some whisper: Don't forget me when ministerial posts are distributed."

A touch of irony ripples about his mouth. Otherwise the man gives no inkling at all of any feeling of power. Here we have a full-length portrait of a

Finnish man, one it is easy to identify with. Pekka Vennamo's live weight settles its more or less 188 kilograms down on the sofa to sink into it. No starched shirt chafes the back of his neck nor has any hairdresser smoothed his hair out. The man does not exude any sickly sweet fashionable perfume, nor is it likely that he has ever kissed a lady's hand, unless it be his wife's.

In a word, a real Finnish lad. Trustworthy, reliable matter-of-fact, colorless. Moderate quantities of mild beer and a lot of tasty doughnuts. No fear that he would chase blondes with a box of chocolates under his arm. No. Pekka Vennamo is a stocky, thickset person and such people live moderately and do not put a strain on their hearts. He is surely a kind husband and a good father. Generous, patient and not a fussy person.

He sits there quite calmly, does not feel like gesticulating at all. As far as he is concerned, it is as if things were blazing just a few meters away, as if one fellow gesticulating wildly in the immediate vicinity were enough. His father, Veikko, frisked about for much more than his share, so his son can very well maintain this restrained kind of behavior.

Pekka Vennamo is 38 years old. His wife, Pirjo, is a teacher of design. They have two children and a third is on the way. They also have two homes, one here in Turku and the other in Helsinki. They have to trot between these two addresses because their eldest daughter, Kukka, attends the Steiner School in Helsinki and is in the care of her grandmother, Jirkka, when the rest of the family is in Turku. It is troublesome and an allowance is no great consolation. Next year the situation will be corrected if Turku gets a Steiner School.

So here he is now, a tired victor. The chairman of the JIP and a super voter. He really had no idea that it would end this way.

"I was supposed to become a mechanical engineer. I was almost finished when the JIP asked me to run as a candidate in the communal elections in 1968. Then when I was elected, I thought that I ought to take the job seriously. That put an end to my studies. Now my knowledge of the subject is out of date... it doesn't pay to continue with them. I would have to start studying something else if I wanted to get a college degree.... There isn't time enough."

And as a schoolboy he swore that he would never in a million years get into politics. He had had enough of it, the fact that at home they would go on and on about inflation and support for the party or that his father never took him to the football game on Sunday, but instead was giving a talk somewhere. He could not even find time to give him a licking; his mother had to take care of that chore too.

"I was such a nice boy," Pekka Vennamo judges himself. "I learned to read when I was 5 years old. The first word I understood was no."

Well. How was he to know that precisely that word was later to become one of the party's mottos? He tried to test his strength in the lederhosen his father thought were cute, but which he, like any healthy Finnish boy, learned

to have. He schemed to get to see movies forbidden to children because he positively insisted on knowing how Zorro was making out. He built radios, did not care much for boy scout ideals, although they were supposed to have uniforms. He got a much more handsome suit when he joined the Finnish Boys Orchestra. The bass drum, which it was certainly fun to bang away at but which was a godawful bother to carry during rush hours on the rear platform of a rattling streetcar, turned out to be his fate.

"We gave performances just about everywhere, at Linnanmaki [Helsinki amusement park] too. That last was the best gig because we got on all the rides for free. Once I nearly caused a catastrophe. There was a performance at Exhibition Hall and President J.K. Paasikivi himself was coming to it. The streetcar was late. The conductor was soaking wet because he was so nervous when I got into line with my drum panting loudly and at that moment the president walked in and the 'March of the Men from Pori' rang out. Not a moment too soon."

The Finnish boy with his drum has turned into the spectacle of Munkkiniemi. Later he got himself a motorbike and began to earn some pocket money as a delivery boy for a florist. The fight of his life began, since a lot of other teenage delivery boys were on the lookout for the same jobs in Jakomaki and Munkkiniemi.

"There were a lot of other jobs downtown, but you earned almost 1,000 if you whizzed out to Munkkiniemi. For me it was important to earn pocket money for myself."

He began to become independent in other ways too. At home he had a confrontation with his father, Veikko, as Pekka even then as well as today calls his father.

"There were the early days of the SMP and Veikko was stern. It didn't take much for the doors to snap open and you could hear him yell. Mornings I woke up to the sound of people talking politics in many different dialects in the kitchen and there were men from the provinces stretched out on the living-room sofa. Veikko was creating his field organization. Right then and there I decided that I would never in the world get mixed up in politics. Things got bad between Veikko and me that I ran away. For 2 weeks I hid in the garage of my friend's father. I slept on a pile of newspapers and suffered from hunger. I went home and emptied the refrigerator on the day when the path was cleared. They were so glad that their son was after all alive. When I came home, no one said a word about what had happened and Veikko began to behave as if I was an adult and couldn't be ordered about so readily any more."

"I was a cabin boy, although from time to time he thought about sending me to the merchant line as a cabin boy. When he got to be a university student, he got into the Polytechnical School and, when he did, he was not ready for the Army."

"I won a shooting contest. I got a real trophy. I was a champion shooter."

... goes out to the lower cabin and, if need be, drinks straight from the bottle. He is a worker.

... the party lead ship over to his son at the IIP ... at 1970, the shift from fanatical ecstasy ... was already in progress. The party machine has been ... they firmly believe in the power of knowledge, culture and ... Criticism is engaged in inside the party.

... civilized neo-Fanaticism has confused opponents. Felda Vennano is re- ... is as close to being one as is fitting for ... it has a grudge against the upper class.

... would be quite acceptable at court or in the government if it ... by the same rules as the other parties. At any rate, ... politician who is capable of negotiating. A lazy, fat ... but his own people undoubtedly know better. The ... the ... it has a chorus behind it so that its walking around ... no longer be dismissed with a shrug of the ...

... to give an accounting of them- ... seems to be sweeping up his ... the next parliamentary elections are held, the for- ... a sweep you can make with a rake and ... in the sand when the IIP is doing the raking.

... Defiant statements Jerry H

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... a wild ... came to life ... by the independent ticket ... the official ...

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The idea of having various groups and individuals in the country, each splitting off the party and claiming the Communist and Social Revolutionary leadership and organizational status. Another view is that the party should be a single unit without any divisions of confusion and disorder.

Others are of the view that the party should be a single unit without any divisions of confusion and disorder.

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In the 1975 parliamentary elections Lasse-Tennila was elected a parliamentary representative on the SMDL Lapland election district ticket. In the 1979 elections he renewed his seat in Parliament. He got over 10,000 votes.

In the run of the latest parliamentary elections the SMDL Lapland district chose its candidates through an ordinary member vote. Tennila received the second largest amount of support because the Stalinists concentrated their votes on him. But the hard line brandished a weapon to strike him down with: The district leaders did not accept Tennila on their ticket. The dropping of his name resulted in a noisy and conspicuous spectacle.

Tennila's supporters hastily put together an independent ticket on which the second name was that of former SMDL Lapland district secretary Pertti Periniiva, who had divorced himself from the hard line. Tennila himself was on a visit to Lapland at the time this happened.

The Lapland district leaders figured that Tennila would not succeed in garnering enough votes to gain his seat in Parliament. Tennila's influence would be lost and the district would be united again.

Tennila's supporters saw his idea for restoring unity as though Lapland were a battlefield. If the tactic had worked, they would have gone on applying it from district to district towards until the entire SMDL was cleansed of Stalinists.

Tennila left the hopeless-seeming situation to go out and agitate. He exploited his own and Periniiva's and his martyr's position to annoy the hard line.

At a series of vehement speeches at mass meetings, Tennila urged people to believe that SMDL action was in the workers' policy and that the moderate Communists were working at cross-purposes with respect to pension decisions. His campaign slogan was that he to be found in the SMDL's "eaten-the-bread" campaign.

At the same time, Rovaniemi, Tennila and many other SMDL members were on the SMDL ticket list. Tennila drove all resoundingly for the SMDL.

Tennila's supporters were divided into three classes: "They are conventional workers, they are workers from the forests, the construction workers, and they are in radical groups."

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"It remains to be seen how the English Communists react to the reporting of
Pamela. But voices are already being heard among the moderate Communists as
well, voices that are demanding that this matter be abandoned." At their head
the New Left English district secretary, Peter Jones, is standing with the
if separation.

John Jones replied to it from the end of the room, "But
I'll be right," he said, "I'll be right."

"The Communists' limited reaction has obliged those forces that promote
party discipline to be counted. From the party's standpoint, the
special situation of the English Communists is so appalling that it cannot
continue. The forces of discipline are in a position of the English
for the first time. The English district secretary, Peter Jones, is
not that far from the front. These political features are standing about
in a state of the party."

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Will, was Reino Paasilinna the rising star of the parliamentary elections? That will be settled on Monday, 21 March. Greetings to the election watchers.... They had begun their watch hours before they started to count the votes.

The humble candidate ran back and forth from the phone to the television screen in his pin-stripe suit and the men sitting on the sidelines applauded their candidate's sense of humor.

Reino Paasilinna spoke of his great plans, "the Paasilinna policy." His lieutenant predicted the founding of a "Paasilinna society." One could not always be sure what was fact and what was fiction.

Paasilinna's election handout revealed to the uninitiated: "Reino, Old High German Reinhold, Old Norse Ragnvald, means 'governing by the counsel of the king'."

Reino Paasilinna, 40, was press assistant at the Ministry of Foreign Affairs, later press secretary in Moscow from 1974 to 1977 and in Washington from 1978 to 1980 and since then has been press adviser at the Ministry of Foreign Affairs.

Paasilinna was not to be a candidate for parliamentary representation. "The Ministry of Foreign Affairs' rigid bureaucracy was the first obstacle. I wanted to test my political support in a vote by the members of parliament. At the Ministry of Foreign Affairs they gave me to understand that they would not put me in my place' and said that I was able to operate more easily than I thought, but that things were different here....

Paasilinna didn't submit before he's tried. I expected to win the member vote. However, my success was a surprise.

Paasilinna was looking for a committee in the Finnish parliament.

Legislation secretary Jarmo Ruotola of the SDP, the official opposition, said Paasilinna was looking for a committee. The organization secretary Jarmo Reini's campaign

Paasilinna was looking for a committee in the Finnish parliament. The organization secretary Jarmo Reini's campaign

Paasilinna was looking for a committee in the Finnish parliament. The organization secretary Jarmo Reini's campaign

1. The first of these is the fact that the...
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LABOR'S STANCE ON FOREIGN POLICY SEES FACTORS IN POLL DROP

Oslo, AGENCE FRANCE PRESSE (AFP) 13 Mar 83 p 1

By [redacted] and [redacted]

OSLO (AP) — Concern over concern: this seems to be what people feel when they see the Labor Party's "new line" which is saying both yes and no to NATO. This party's decline in Gallup's political poll, a 1.8 percent drop from January to February, is one more indication of this concern. Although other parties also lost in the election, it remains to be seen whether or not our support will be in a position of decline. The ruling Conservative Party, on the other hand, has achieved stability and a solid "grip" on about one third of the vote. This seems to be indisputable.

Other parties mentioned in the poll are characterized by stability. The second largest party, the Labor Party, is the Christian People's Party which has a 1.8 percent drop, 2.0% in January within the margin of error. This is a slight increase from the December and January figures.

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Other parties mentioned in the poll are characterized by stability. The fifth largest party, the Labor Party, is the Christian People's Party which has a 1.8 percent drop, 2.0% in January within the margin of error. This is a slight increase from the December and January figures.

The opposition from the Labor Party and the Socialists to the alliance was, however, not at all the result of any fundamental principle. It was only a tactical move. The Conservative Party's movement is now in a very different position.

It is necessary to make the possible alliance between the Labor Party and the Socialists. The consequences for the Labor Party itself, when the results of the election are available, will be interesting and unexpected. It is not only the fact that the party has been in a position to "confirm" the results of the election, but also the fact that the party has been in a position to "confirm" the results of the election. This is a very important factor in the party's history.

The results of the election are very important. The party has been in a position to "confirm" the results of the election. This is a very important factor in the party's history. The party has been in a position to "confirm" the results of the election. This is a very important factor in the party's history.

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	Parl. elect. Sep. 1977	Local elect. Sep. 1979	Parl. elect. Sep. 1981	1982 Feb.	1982 Jun.	1982 Dec.	1983 Jan.	1983 Feb.
Rational Left	0.6	0.8	0.7	0.9	0.6	0.7	0.6	0.7
Labour Party	42.3	36.2	37.1	38.6	39.7	39.9	39.6	37.8
Norwegian Communist Party	0.4	--	0.3	0.3	0.3	0.1	0.1	0.3
Socialist Left	4.2	4.4	5.0	5.3	4.6	5.1	5.6	5.1
	47.5	41.4	43.1	45.1	45.2	45.8	45.9	43.9
Strategic Party	1.0	2.5	4.5	5.4	5.6	6.0	5.8	5.4
Protestant Party	1.4	1.2	0.6	0.3	0.4	0.4	0.4	0.4
Conservative Party	24.8	27.7	31.8	29.2	29.2	29.3	30.4	30.5
Protestant Party	12.4	10.1	9.3	8.0	9.1	8.5	7.6	8.9
United Left	1.8	8.6	6.6	6.2	5.4	5.7	6.0	6.0
United Right	1.1	5.3	1.9	1.4	4.4	4.1	3.7	4.3
Other	1.0	0.6	0.2	0.3	0.2	0.2	0.2	0.0
Total	100.0	95.4	100.0	99.7	100.0	100.0	100.0	100.0
Weighted average				1,007	1,205	1,191	1,130	1,134
Weighted average (unweighted)				1,338	1,431	1,388	1,334	1,345

The weighted average is calculated by weighing the results of each party against the party's share of the vote in 1981. The estimated statistical margin of error for the weighted average is about 1 percent for shares near 50 percent, about 2 percent for shares near 10 percent, and about 1 percent for lower shares of the vote.

The survey was conducted from 15 February to 5 March 1983.

Source: The Survey of Public Opinion, NORWAY, 1983, P. 10, 11.

LIBERAL PARTY CONGRESS COMMENTED BY IMAGI VILJENIA

Only Aftenposten in Norwegian 28 Mar 59, p. 3

[Commentary by IMAGI VILJENIA]

[TEXT] One aspect of what the Liberal Party Congress this weekend is to produce is a clear image of the party. That will be no easy task. The hallmark of the Liberal Party is the term "alternative"—alternative thinking, alternative action, the third alternative. The problem, however, is that so few voters can find representative, responsible policies among all the alternatives and "possibilities."

There is no movement today for closer cooperation among the Liberal Party, the Center Party, and the Center Party. The latter two parties, considered "small" and "weak" and lost to the Conservative Party and, as a result, the "small" and "weak" influence of the Liberal Party should be an indication that this type of analysis is ripe for revision. The Liberal Party views itself as a non-partisan party, independent of the political system, and independent, in particular, of the Conservative Party. Nevertheless, the party seems to have stabilized at 3 to 4 percent of the vote, less than that of the Social Democrats throughout the post-war period until the split in 1957.

While the Liberal Party claims that the other two small parties have abandoned the middle-way alternative, it seems that the party's role now is to act as a kind of "watchdog." "Watch" and alternative thinking should permeate Norwegian politics. If necessary, such a "watchdog" would consistently reject questions of participation in the government and political majorities as almost irrelevant, even if it is possible to do so. Deep down, perhaps, the party leadership hopes to double its present support, at best.

Still, the Liberal Party will never be universal. A century has passed since our first party was founded. Looking back, we see the Liberal Party as a kind of anomaly in Norwegian politics. First there was the struggle to exist as a party and the battle for parliamentarism. But then the Liberal Party witnessed the birth of many other parties, beginning with the split in 1888 that led to the Center Liberal Party and later to the Liberal People's Party. In party that received less than 1 percent of the vote and still claims to be

the real Liberal Party). The Farmers' Party and the Christian People's Party also must be seen as splinter groups from the Liberal Party, but the Labor Party, at its very beginning, had roots in the Liberal Party.

This says something about the scope of the Liberal Party at various times. One leg in DACHAUET and the other in the church, as they said in the old days. Today the party stands in neither of these places.

Also, the split at the Rodes congress 11 years ago, the party has let most of its political capital on one card--the "green" card. This year, too, nature and environmental protection comprise one of the four main topics at the congress. The second issue is strengthening people's control over their own lives, with roots even further back in the traditions of the party. The last two themes are the reduction of nuclear weapons and the demand for meaningful work for everyone.

...smaller, more intimate, a security in ecological balance, independent of the world market, not as self-supporting as possible. "Small is beautiful." ...small local communities, small companies, and (pardon the expression!) small nations. I mentioned before, however, giving a clear image to this type of ecology in our nation.

The 1970s, however, "zero growth" is hardly marketable today, even though the growth of unemployment is in mind other than the zero growth we actually have had. The damage to the growth has done is obvious, but it is not easy when the way back to normal time is to resurrect growth in the Norwegian economy and also the choice between real alternatives.

...and - much, itself with the fact that it has taken the
first steps of the long times. Energy conservation, the use of oil money,
financial reform, significant increases in real wages after 1974--these are
the things that will, after all, it has been correct before its time.
The world is now turning to that assertion.

There is hardly any doubt that "red" is the nuclear freeze and "red" is the nuclear freeze and "red" is the nuclear freeze. Once again, the "third ways."

... indicates that both fast and slow should
... or attached. Their probable alternative defense
... and obtain from purchasing new submarines.
... defense appropriations would not increase, but the

"The day-to-day political work is tiring," Odd Einar Dorum admitted. It is not certain that the work will be less tiring or more important after the party congress this weekend.

9336

CSO: 3639/89

PARTY ORGAN DISCUSSES SOCIALIST-LEFT CONGRESS

Oslo NY TID in Norwegian 19 Mar 83 p 3

Editorial: "Socialist-Left Party After the Congress"]

Text: A great deal of time went to the discussion of economic policy at the SV Socialist-Left congress. It began with a proposal for a 4 percent reduction in the value-added tax, continued with a debate on how the 6-hour day would affect employees' wages and ended with the postponement of the reform proposal on wage-earner funds. It was agreed that wage compensation in connection with the 6-hour day should be left to the union movement, but it was stressed that SV supports full compensation for low-wage earners. The planned action on the value-added tax was not a success, either at the congress or in the media. All in all, the debate on economic policy was a confirmation of what has been SV policy for a long time--equalization, the 6-hour day, equal national insurance, an intensification of the progressive tax structure, higher building fund loans and increased influence for those working for Norwegian firms. A good program for a socialist party, but those who hoped that the congress would open the way for new and revolutionary ideas were disappointed. Signs of the creative thinking that went into the debate on "Norwegian socialism" a few years ago were missing. The only idea remaining from that debate--wage-earner funds--did not gain approval.

However, there were very important clarifications in relation to East Europe and with regard to the question of socialism and democracy. The majority of the congressional delegates approved the party's joining the Atlantic Pact Committee. Berge Furre castigated the Soviet repression of the independent press movements, the congress approved supporting these independent groups in the East, condemned the steps taken against solidarity in Finland and USSR, but not least, the third way is now established as SV's line--a line that has since the party was formed.

We believe that the clarification of these issues will prove to be the most important accomplishment of the congress. There has been no doubt externally in the last few years where SV leaders and, for that matter, NY TID, stood on the issue of the encroachments in the East, but there was no internal debate at all along--with all those harsh attacks

on those who backed the third standpoint. Hopefully this debate is now over--and it will no longer be possible to hit those who criticize conditions in Poland or the Soviet Union over the head with the Old program of principle. The resolution also clarified another vital principle--namely the concept of political democracy under socialism:

"A socialist government will be based on a political majority in starting. If that majority is lost, a socialist government would have to resign."

In the visitors' section of the congress there were many foreign socialist and communist party representatives who followed this particular clarification with great interest. A big international trend is emerging around the concept of the "third way," which stresses the point that socialism and political democracy must be united in a credible model. The Italian communists have said in flowery terms that "the epoch of the October Revolution is over"--and that the future of socialism now depends to a large extent on the ability of socialist and communist parties in the industrial lands to stake out a new course. SV is part of this process.

The peace movement and SV's involvement in it were discussed, of course. We think it is correct, as has been said, that SV is the party of the peace movement. At the rate there is wide agreement on giving this work a high priority. The efforts of SV members in peace work in recent years have been quite impressive. Outsiders must also admit that.

At this congress, SV replaced almost all its top leaders. Only the 20-year-old party secretary remains as the "veteran," while both the leader and his second in command are new. They have many tasks ahead of them. And there is no small challenge involved in creating policy in new fields, something departing leader Berge Furre has been a master at. But the leadership has good qualifications--and we also think the leadership has been put together in such a way that it can work as a team and really pull together.

In electing a vice chairman for women's policy the congress experienced a very painful affair. With the central committee on women's policy going against pretty much the entire group--especially the women delegates--by insisting that the nominated vice chairman could not be approved. The congress cut through the special interests of the committee and elected Hilde Best--and we congratulate along with the rest of the leadership.

15/5

ESD: (H00000)

LIBERAL PARTY CHAIRMAN AT CONGRESS AGAINST NATO N-ARMS

AFTENPOSTEN in Norwegian 19 Mar 83 p 40

[Article by Per Danielsen and Ottar Julsrud]

[Text] Tonsberg, 18 March--"It could be true that we lack cohesion in our policies, but in the battle against nuclear weapons the Liberal Party has a clear and consistent policy," central board member Helge Hveem stated at the party congress yesterday. "This battle has made our party more unified today than for a long time," he said. The party chairman, Odd Einar Dorum, challenged the Labor Party, the Christian People's Party, and the Center Party to join the Liberal Party and create a new majority against the employment policies of the Conservative Party.

Security policy is one of the main issues at the congress and the general political debate that followed the chairman's speech stressed the desire to emphasize the "third way"--continued NATO membership, but a NATO based on conventional weapons. Helge Hveem went on to say that the Liberal Party must not try to withdraw Norway from the rest of the world or tell people that the nuclear threat can be eliminated by a stroke of the pen in Norway. "We must proceed step by step if ordinary people are to follow us," he said.

Liberal Party youth leader Jesper Simonsen described the withdrawal of Norway from NATO as a "correct and important step." Apart from the party's youth organization, however, few representatives at the congress believe that this is a high-priority task. Simonsen also described the Conservative Party government as "worse than expected" and he said that the Conservative Party was the Liberal Party's main opponent today. Vice-chairman Mons Espelid of the Liberal Party criticized the government for ignoring the fact that the (Norwegian) communities were in such a poor economic state that they could not afford to carry out their share of the new measures to stimulate employment.

In his introductory speech, Liberal Party leader Odd Einar Dorum challenged the Labor Party, the Center Party, and the Christian People's Party to create a new majority on employment issues. Dorum also challenged these same three parties to create a new majority to propose an alternative to constantly increasing dependence on nuclear weapons.

It has become more and more difficult to maintain "green" values, according to

Dorum, who advocated policies independent of special interest groups. In this connection, he emphasized that tighter controls over wages could be necessary. He said that the Liberal Party would limit tax deductions for interest payments. He also demanded that a public conversion fund be established for vulnerable energy-dependent industries and communities that are highly dependent on industry.

The party's need for an image is a constantly recurring theme in the debate. As one of the speakers pointed out, "People see Liberal Party politics as a threat to their own welfare and prosperity. It is our own fault that we have not succeeded in explaining the real consequences of our policies."

The Labor Party, as well as the Conservative Party, is being criticized at the congress. In the area of security policy, the two parties were compared to a sailboat drifting in the wind and a battleship that was unable to change its course. The Conservative Party also is being criticized for its labor market policies. One speaker said that the government was playing blind man's buff with both the unemployed and those who are trying to do something to reduce unemployment.

Central board member Berit Kvaeven concluded her speech by appealing to the Conservative Party: "Start making concessions to the Liberal Party--before it is too late!"

Yesterday an environmental policy statement was supposed to be approved. This has been the main issue of the Liberal Party for many years. During the debate, however, there were so many proposed changes that a vote on the resolution had to be postponed until the next day. The congress also is expected to warn against reduced expenditures on environmental protection, such as the latest cuts in the budget of the Environmental Affairs Ministry.

9336

CSO: 3639/89

LABOR PARTY YOUTH WING CONFERENCE ELECTS NEW DEPUTY CHIEF

Oslo ARBEIDERBLADET in Norwegian 14 Mar 83 p 6

[Article by Oivind Nielsen]

[Text] Egil Knudsen (26) of Buskerud was re-elected by acclamation as AUF [Labor Youth League] leader at the conclusion of the national congress in Oslo on Sunday. The new vice chairman is Jens Stoltenberg (23) of Oslo. He got the longest straw in an exciting ballot showdown with Vidar Bjornstad (27), originally from Rennebu. Stoltenberg received 173 votes and Bjornstad received 115. He became an alternate representative on the Central Committee.

AUF secretary Solveig Torsvik (28) from Akershus was also re-elected by acclamation. These are the other permanent members of the Central Committee:

Norvald Mo, Hordaland-Oslo; Berit Dalheim, Oppland; Frode Forfang, Oslo; Kjetil Sandermoen, Hedmark/Oslo; Hilde Iversen, Ostfold. Alternates to the Central Committee are Oystein Maeland, Synnove Nymo, Vidar Bjornstad and Goril Saeland.

Agreement on Missiles

The AUF congress voted by an overwhelming majority to support the statement of the Labor Party's so-called missile committee. But at the same time the congress clearly rejected any solution based on "a little of this for a little of that," meaning the acceptance of deployment of some western missiles in return for the removal of Soviet missiles.

Unemployment Wasteful

In a statement on the struggle against unemployment, AUF said that it is a result of a policy aimed at cutting back on public activity in favor of private consumption. AUF cannot accept the Conservative ideology that we cannot afford to increase jobs through active expansion of society. For them, unemployment is a meaningless waste of human resources that can never be accepted, they said.

In the statement, therefore AUF demanded quick implementation of measures to counteract unemployment, among them increased transfers to the municipalities, starting up public construction jobs, a creative plan for industry, relief plans for employment in all counties, the continuation of youth guarantees and emphasis on the education sector and the apprenticeship system.

6578

CSO: 3639/95

CHRISTIAN PARTY'S STAND ON ABORTION SEEN LIMITING APPEAL

Oslo AFTENPOSTEN in Norwegian 19 Mar 83 p 3

[Commentary by Alf B. Godager]

[Text] The battle against free abortions has become a disaster for the Christian People's Party: partly because, in reality, the abortion issue must be considered lost and partly because, since the last parliamentary elections, it has prevented a broad nonsocialist coalition government. Most of all, however, the party's strong stand on this narrow issue has made the Christian People's Party look primarily, or even exclusively, like a single-issue party. And this is an image that seems to appeal to a relatively limited number of voters.

The opinion polls now reflect the same low level of support the party had during its heyday as a single-issue party--the fifties and sixties. Efforts by the party leadership to project the Christian People's Party as a party with clear alternatives on all political issues have not had the desired effect.

It now has been 50 years since the Christian People's Party was founded in Hordaland. The period including the EC battle and the Korvald government was the party's best, in terms of both election results and opinion polls. At that time the various political polls showed constant support of 12 to 13 percent over a long period of time. At one time the Christian people's party actually reached the 14-percent level. Now it has dropped to 8 or 9 percent, occasionally falling to even 7 percent. There are no indications that these figures will improve.

Before, during, and after the Korvald government, the Christian People's Party was most successful in presenting itself as a party with clear alternatives on all the issues. As long as the party was included in the government, had its own prime minister, as well as a good number of cabinet ministers, it was easier to reach the voters in a convincing manner.

Many KRF (Christian People's Party) supporters and voters were pleased that the party avoided a split over the EC issue, even though there was a clear line of demarcation between supporters and opponents and, at times, the internal battle was intense.

The Christian People's Party was founded as a protest party. Behind the initiative was the concern on the part of many Christians over trends and policies of secularization. The founders believed that the other political parties of that time did not oppose this trend wholeheartedly. Attempt to nominate Christian leaders to other lists of candidates, especially those of the Liberal Party, were unsuccessful.

The element of protest is just as strong in the KRF of today. From the standpoint of a Christian layman, there is just as much reason for concern today as there was during the late twenties and early thirties. The desire to elect people who profess the Christian faith--especially members of the laity--to important elective bodies in order to affect the decision-making process is clearly expressed by the party's voters and representatives. The desire to stem the tide of what they consider to be troubling developments in society and to promote Christian views and values is widespread today.

The mistake of the Christian People's Party--if we can call it that--is not its determined battle against abortion on demand or the fact that it took so long before it adopted the demand for legal protection of the unborn life, but rather that the abortion issue appeared to be the only issue and, especially, that the party had taken an unalterable stand. This issue was not accompanied by sufficiently clear stands on other matters. Gradually, the impression was given that KRF was a single-issue party.

Of course, the party leadership was aware that the party was in danger of being perceived as a single-issue party. High party officials spoke out constantly on other issues of current interest on the political agenda. It simply did not help.

With a sure sense of the party's self-inflicted dilemma, the socialist parties repeatedly brought up the relationship between KRF and its two potential partners--the Conservative Party and the Center Party. The nonsocialist parties and voters, as a result of the so-called Tonsberg Resolution which prevented a broad coalition after the 1981 election victory, have been asking the following question: Does KRF wish to work as a responsible political party within the government or would it prefer to remain on the sidelines as a Christian political sect?

Of course, the catastrophe suffered by the Christian People's Party because of the abortion issue should not hide the fact that the battle against free abortion once increased support for the party. The Labor Party Congress in 1969 placed the demand for free abortions on the political agenda. When the resolution of the party congress was taken up by the Labor Party government, Christians soon mobilized their forces throughout the country. A strong popular movement was created across political lines. A considerable group of active Christians left the other parties, especially the Labor Party, and joined KRF.

There are various opinions within the Christian People's Party as to the way

out of the present impasse. Their view on free abortions is the same today, but there are widely differing opinions on the consequences that should be drawn from the political reality of today.

As we know, the national committee of the party recently stated that the Tonsberg Resolution referred to a specific situation and a limited time. The latest statement, if it is approved by the party congress, would pave the way for participation in the government once the debate over the abortion issue in parliament comes to a close. This could occur this spring if the government chooses not to propose any amendments, since there is not a majority in favor of more restrictive plan, including counseling for pregnant women, now being discussed by the parliamentary committee on the abortion law.

The national committee believes that KRF cannot participate in a government that supports a proposal for free abortions. On the other hand, it could participate in a government that administers a law that has been approved in a democratic manner, even though the party itself does not support that law.

Nevertheless, the national committee seems to be in no hurry to enter a three-party coalition. It would require a special parliamentary situation--a political crisis or something that could escalate to a crisis--for KRF to participate in a government during the current 4-year period. This will be the recommendation to the party congress in Oslo on 14 to 17 April.

According to the national committee, the parliamentary group and the committee itself should decide on any possible participation in the government before 1985. If the congress approves this position, it could open the door to a broader coalition government in the near future. This idea clearly is gaining support within the parliamentary group. There are indications that the vote to broaden the coalition government would have been more positive if the entire parliamentary group had been allowed to vote at the national committee meeting.

Many representatives and supporters now would like to see the party enter the government despite the abortion issue, since they believe there are many other important issues on which KRF should exercise its influence. Others believe that the abortion question makes this impossible and will continue to do so for many years. The opinion expressed by the national committee in its recommendation to the party congress seems to be predominant among party representatives.

3326

30: 3639/89

REPORTER FINDS LABOR PARTY YOUTH WING ENJOYING SUCCESS

Oslo ARBEIDERBLADET in Norwegian 14 Mar 83 p 6

[Commentary by Oivind Nielsen]

[Text] Things have gone both up and down with the activity of the Labor Youth League through the years. And at times there must have been some concern in DNA [Norwegian Labor Party] and LO [Norwegian Federation of Trade Unions] about the ability of the group to do its job as "youth organization for the entire labor movement." But no one able to attend the 38th national AUF [Labor Youth League] congress which concluded in Oslo on Sunday could doubt that the organization is now in the middle of one of its most successful periods.

Youthful Congress

There have also been good and not so good AUF congresses. This one was definitely one of the good ones. Without resorting to ridiculous exaggerations, one can safely say that the congress was a happy fusion of youthful idealism and a capacity for political realism. Taking into account the low average age (21), the level of expertise and loquacity of the delegates were quite impressive.

AUF's re-elected secretary, Solveig Torsvik, said in her introduction to the report that 94 new local groups have been started since the last congress was held. This gives a clear picture of growth. Young women have also come into their own in AUF and of the 300 delegates, 131 were young women, a representation of 44 percent.

There is also reason to note that 109 of the congressional delegates, a little over a third, come from organized labor. In today's educated society, that is a high percentage in a youth organization.

This, along with the sad fact that many of the delegates have had personal experience of youthful unemployment, led to more down-to-earth discussions of economic policy and employment policy than we have heard from AUF in many years. What we are hearing from AUF now is not lofty but useless political philosophy. The congress approved a program for an economic

distribution policy and a statement on unemployment that pushes a long list of concrete demands. Among other things, AUF demanded a continuation of the youth guarantee and wants jobs or education for all young people under the age of 25. Educational policy was also placed in sharp focus.

Agreement on Arms Reduction

Finally there is reason to note that the program on international policy and arms reduction basically supports the arms reduction strategy mapped out by Labor Party organs.

Things are flourishing in AUF just now. The party leadership need not be greatly concerned about recruiting members in the future.

5578

CSO: 3639/95

SOVIET NEWSPAPER ATTACKS 'NEO-NAZIS' IN NORWAY

Oslo AFTENPOSTEN in Norwegian 18 Mar 83 p 8

[Article by Bobo Scheutz, AFTENPOSTEN correspondent]

[Text] Moscow, 14 March--The forces in Norway that support the militaristic plans of the United States and NATO are being used now by 12 neo-Fascist groupings and 5 active terrorist organizations in Norway, if one is to believe an article by the semiofficial Soviet news agency APN that has been printed in SOVIET LATVIA and elsewhere.

According to the article, which was written by Yuriy Konenkov in Moscow, the neo-Fascists have stolen arms and explosives from military arsenals, drawn up lists of "Reds" to be liquidated, exploded bombs in populous places, planned attacks on undesirable union leaders and politicians, etc.

One of these groups, according to the news agency, is "The Norwegian Section of Odessa," an organization that was founded in 1945 to help Nazis to flee, and its aim is make Norway into a Fascist state.

The neo-Nazis' activity is no accident. More and more often memoirs of Hitler criminals are to be found in the bookshops, and the mass media are trying all the time to clear the names of the Fascist executioners, Konenkov asserts. He goes on to say that in 1981 the Storting voted down a proposal to ban neo-Fascist organizations. The Norwegian neo-Fascists understand that they cannot gain power simply by terrorism, and have therefore decided to assert themselves in the political arena. In 1973 they succeeded in getting four seats in the Storting, Konenkov writes.

He says nothing about how large these groups are, but he does say that since the beginning of the 1970's they have been active on the international plane, and that they send people to international Fascist meetings in Chile, Paraguay, Taiwan, and South Korea. Their activity is financed with dollar subsidies.

The article on neo-Fascism represents the low mark in recent Soviet reporting on Norway. APN's Oslo correspondent Ilya Baranikas is working on a more usual plane when he writes about the welfare state Norway, which he says some bourgeois politicians talk about. But the statistics are deceiving, he says, for although there are many well-dressed people in Oslo, many modern residential areas and luxury houses, the prosperity is not general. Housing sharks have pushed the prices of apartments so high that average people can no longer afford

to live in them, and in that connection he mentions that an invalid is living in a sleeping bag in the woods outside of Moss and a disabled veteran is sleeping in the back seat of his car in Kristiansand.

Prime Minister Willoch has also been hauled over the coals recently in the Soviet media. Last week end PRAVDA wrote that Willoch supports the United States on practically all issues, in particular as concerns the stationing of medium-range missiles in West Europe and President Reagan's zero solution, and that he justifies his standpoints with myths about the Soviet Union's foreign policy and defense policy.

About a week ago the news agency Tass asserted that Norway is a victim of the steadily intensified campaign of Washington and the NATO leadership to convert the country into a bridgehead for their aggressive strategy on the European continent. Prime Minister Willoch does not flinch from gossip accusations of the Soviet Union, TASS says among other things.

8815

CSO: 3639/87

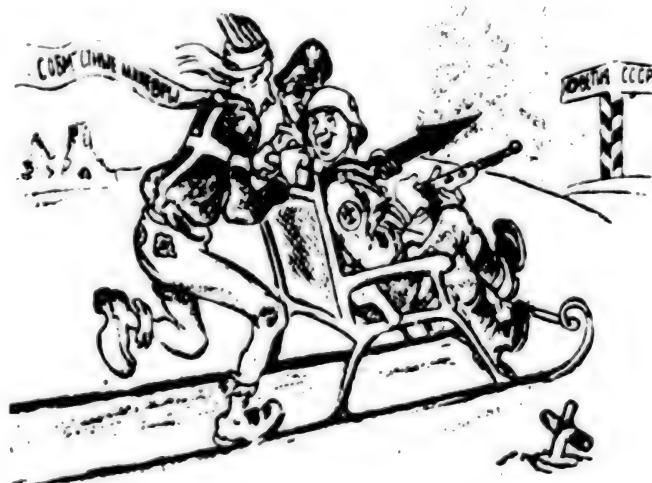
USSR STEPPING UP CAMPAIGN AGAINST NORWAY IN PRESS

Oslo AFTENPOSTEN in Norwegian 18 Mar 83 p 8

[Article by Kjell Dragnes]

[Text] A change of leadership in Moscow, which is not exactly an everyday or every-year phenomenon, is a welcome opportunity to start anew, to breathe life into old politics and soften up a rigid system.

Yuriy Andropov's assumption of power in the Kremlin has carried the Soviet Union over to the offensive in east-west relations. If one is to believe the Soviet press, including the paper that calls itself "The Truth" [PRAVDA], doves are now the commonest species of bird in the old fortress in the center of the Soviet capital. The hawks stay on the other side of the ocean, on "the banks of the Potomac," as Washington is often referred to when something negative is said about the United States.



Furthermore, again according to PRAVDA, the hawks carry on a great deal of flight activity over the sea, especially those that nest in Oslo. That applies, for example, to Prime Minister "K. Villock," who was recently in Washington.

Secretary General Yuriy Vladimirovich Andropov, of course, has not been in quite 4 months, and one thing he has not yet managed to do is get the

propagandists' Norway drawer cleared out. The Soviet commentators are very much in need of new arguments. That has been shown recently by scribblings in the Soviet press about Norway, which resemble to the point of confusion those that are printed in Moscow at regular intervals when the world (read: Oslo) speaks out against them.

The active commentator work is also a clear indication of how closely the Soviet Union follows what is happening in neighboring regions. Besides giving Soviet readers a somewhat odd impression of Norwegian society and political life, the commentators show that Moscow is not disposed to relax the constant pressure on its neighbor. Which is too bad.

A certain Yuriy Konenkov with the semiofficial press agency APN takes the prize with his recent article about neo-Nazism and terrosism. He goes so far as to assert that the neo-Nazis got four representatives into the Storting in the 1973 election. Mr Konenkov evidently must have better sources than the entire Norwegian press corps, television, and radio--and that is truly remarkable. The Soviet press is not ordinarily characterized by revelatory and investigative journalism.

But Konenkov represents a rare species in political ornithology. The most common commentators concentrate on Norway's foreign policy and security policy, which by Soviet definition are not good.

That is confirmed, according to the newspapers, by Prime Minister Willoch. He has issued statements to the Finnish press that struck the Russians especially hard in the breast. "In public and political circles, in the press in Norway and other Nordic countries, it is observed that in spite of statements by Oslo's official leaders about a striving for peace and security in the north of Europe, their practical politics gives many grounds for questions in that connection," PRAVDA writes. The wording is tortuous, but in plain language it means that the Soviet Union distrusts the aims of Norwegian foreign policy and Norwegian assurances that neighborliness and low tension are desired in the Nordic region. On the other hand, that is just what the Soviet Union wants, and Willoch and other "circles" should understand that and not resort to "fabrications about Soviet defense policy and foreign policy"--again according to PRAVDA.

We may wonder who is best at fabrication when we read the other big Soviet daily, the government organ IZVESTIYA. "In Norway new airfields, firing ranges, and warehouses are being fitted out for American military equipment. Some time ago the U.S. generals' secret plan became known: In case of a 'crisis situation' they will station atomic weapons in Norway," IZVESTIYA writes.

The Soviet press even strikes a blow for an atom-free zone in the Nordic area, which will serve Norway's interests best and fulfill the peoples' sincere hope for peace. Willoch is against it. And behind him lurks the United States. The former foreign minister Knut Frydenlund recently informed journalists that the United States has been against an atom-free Nordic area from the very beginning, according to IZVESTIYA. Another statement by Frydenlund, made at the hearings on Afghanistan, will probably not find its way into the pages of those papers. "We are witnesses here of aggression by a superpower against a little country. This is of special interest to all small countries, like our own. But it is still more important that Afghanistan is a neighbor country to the Soviet Union, as Norway is," he said.

PALME'S BID TO MIDDLE PARTIES FOUNDERS ON TAX POLICIES

Stockholm DAGENS NYHETER in Swedish 8 Mar 83 p 2

[Editorial by O.K.: "Cooperate in Jest?"]

[Text] During the general political debate a month ago, Olof Palme suggested that the middle parties and the government get together and appoint expert groups to determine where they could agree. During last Wednesday's budget debate, Arne Gadd, the new chairman of the Finance Committee, struck back: "We cannot fuss around forever." The twinge of interest in cooperation had quickly turned into disillusionment.

"No more fussing around, said Gadd" will surely become a familiar saying in that section of the Social Democratic Party which does not approve of cooperation. Newspapers such as DALA-DEMOKRATEN and OREBRO-KURIREN are shouting with joy. The conclusion is clear: the government will govern singlehanded.

The Social Democrats promised during the election campaign to restore the government's authority. Many people feel that there has been a great deal of that commodity in a number of cases. The crux of the matter is that the Social Democrats are finding it hard to live up to that promise when it comes to politics as a whole.

It is not enough that the government does not have its own majority in Parliament: it has also weakened its position by constantly wanting firm support for its stands from the special interest organizations. There is danger when the democratic rules requiring debate and a decision in Parliament are converted to Social Democratic rules, which shift power to the organizations at the expense of the government organs.

This is a key point for understanding the attitude of the middle parties toward the government's outstretched hand. The Center and Liberal Parties themselves stretched out their hands for what they thought was a binding handshake with the Social Democrats in the spring of 1981. But after last fall's devaluation, the opinion of the LO [Swedish Federation of Trade Unions] on taxes meant more to the Social Democrats than that of the two other partners in the agreement. Leading Social Democrats themselves can scarcely have believed that after 6 hard years in the opposition and a serious blunder on the central tax issue, they

would immediately get a response from the middle parties concerning their invitation to cooperate.

Palme's initiative during the general political debate has not been followed by any contacts at all with the middle parties, if we exclude the resumption of the weekly general meetings by the party leaders. When the middle parties rejected joint expert groups and pointed to the possibility of contacts in Parliament, rapprochement from the Social Democratic side came to a halt. Either its overture was poorly prepared or it was not very serious to begin with.

It does not make much difference now. Contacts of this kind must mature as a result of its being shown in practical politics that the parties have similar opinions and interests. The fact that there is not a united nonsocialist group in Parliament at present, but rather two quite disparate groups, may increase the possibility of such contacts.

Many of the Social Democrats who want cooperation with one or more nonsocialist parties--primarily the Center Party in today's situation--see it only as an adroit way of increasing their own strengths or reducing their own difficulties. That traditional Social Democratic line is represented by such newspapers as ARBETET. This year's overtures can probably also be interpreted in that way.

The Social Democrats want to begin liquidating the budget deficit, but unfortunately, they have started the process by considerably increasing it (although not by doubling it, as happened in another well-known process of deficit liquidation). The adjustment will be painful, especially for the people in their own party. In such a situation, it might be good to have one middle party or the other to make up with--and lay the blame on.

Neither of the middle parties can be interested in playing such a scapegoat role. But when the government comes up with specific plans for retrenching, the time may then be right for the middle parties to see which points they want to support.

But all Social Democrats do not belong to one of the two self-sufficient wings: the one that never wants to cooperate and the one that wants to use cooperation for its own ends. There is also a group that seeks cooperation in the awareness that it is necessary if we are to get through the 1980's and that cooperation requires concessions. Such newspapers as STOCKHOLMS-TIDNINGEN, OSTRASMALAND and, to some extent, ARBETARBLADET, are in this group.

Enn Kokk, editor of the party newspaper AKTUELLT I POLITIKEN, expressed it this way in his editorial in the latest issue:

"The best politics is born of... listening and give and take.... Anyone who is strongly convinced himself and has many good arguments drawn from reality has no need to fear compromise."

When will that attitude come to characterize Social Democratic government policy?

MODERATE PARTY GAINS VIEWED IN LIGHT OF 'CONSERVATIVE WAVE'

Stockholm DAGENS NYHETER in Swedish 13 Mar 83 p 8

[Article by Magdalena Ribbing]

[Text] Is the Conservative Party becoming a party for the discontented?

Will the powerful conservative winds that blew in the West German and French elections last week also fill the sails of the Swedish Right?

From where are the Conservatives picking up their new voters?

Can we rely on the Conservatives?

Those questions are dealt with in this Sunday's "Insight" column, which was written by Magdalena Ribbing.

Sometime before the next election, the figures on voter preferences for both the Social Democrats and the Conservatives are going to be in the 30-percent range. Opinion polls will give the Social Democrats 39 percent at most and the Conservatives 31 percent at least--both at the same time.

That is in keeping with the clear-cut analysis and strategy of the Conservative Party's leadership. According to that scenario, the Social Democratic share of the vote will creep down from 45.6 percent in the last election to under 40 percent, and the Conservative share will climb from 23.6 percent in the last election to just over 30 percent.

The same Conservative scenario shows the middle parties in the background, but not as a threat, either separately or together. (The fifth party in Parliament--the Communists--is ignored by the Conservatives except when it can be used as a ghost to be frightened by.)

Opinion polls conducted since last fall's election do not contradict Conservative hopes. The latest SIFO [Swedish Institute for Public Opinion Polls] poll--in February--gave the Conservatives a record 29 percent and the Social Democrats 46 percent.

The current poll by the IMU [Institute for Market Research] shows a considerably lower figure for the Conservatives (24.5 percent). The pattern between polls by the two institutes is holding true, with SIFO giving the Conservatives considerably higher figures than the IMU does.

It is clear, however, that the Conservatives are continuing to take voters away from the other parties. The Conservatives obtained 15.6 percent of the vote in the 1976 election, 20.3 percent in the 1979 election, and 23.5 percent in the most recent election.

That trend is international at the moment.

A few weeks ago, the West German Social Democratic Party lost big in the elections for the Bundestag--its greatest loss in many years. At the same time, the nonsocialist Christian Democratic Union made strong progress, achieving its best results since Konrad Adenauer's time in 1957. Both the Danish and the Norwegian Social Democratic Parties have lost control of their governments. And the French Socialists suffered a setback in last week's municipal elections despite their brilliant election victory in 1981.

What is happening?

The Conservative Party's leadership says with satisfaction: "We have the right policy. It is our issues that are noticed," and they add that the Social Democratic government is giving the Conservatives "fine help."

Bahr Affair

A perfect example of a Conservative political "dividend" is the tax agreement reached in 1981 between the middle parties and the Social Democrats. To the delight of the Conservatives, the agreement fell apart when the Social Democrats put through their shock devaluation after the election.

Last fall's violations of Swedish territory by submarines were ridden hard by the Conservatives, who resorted to the faithful old dread of communism. More money for defense is also an issue dear to the hearts of the Conservatives.

The controversial blanket clause against tax violations and its possible undesired consequences were strongly attacked recently by the Conservatives, even though they approved of the clause when it was presented to Parliament. The expanded bill submitted by the Social Democratic government was opposed by all the nonsocialist parties, but it was the Conservatives who reaped the dividends in public opinion.

In the area of foreign policy, the affair involving West German Social Democrat Egon Bahr, who was allowed to present viewpoints in the proposal by the Palme Commission (and later by the Swedish Government) for a nuclear-free corridor in Central Europe, played right into the hands of the Conservatives.

Voting Based on Class

The Swedes traditionally vote on the basis of class: people vote in accordance with their background and education. The Conservative and Liberal Parties have had the least support among working class voters, while the white-collar vote has been divided equally between the nonsocialist and socialist parties.

Since the 1979 election, however, voting by class has started to decline. The connection between a voter's opinions and his choice of a party has grown stronger, and so has voter mobility. How much control society should have over the economy and how the system of grants and allowances should operate in society are questions that have won new voters for the Conservatives.

The impression that the Conservatives want to create and the one established by Gosta Bohman in the early 1970's is that "Conservatives do not shift from one foot to the other in politics." The voters are to know where they stand: the message is to be consistent.

That image is skillfully marketed--the Conservatives successfully present themselves as champions of economic rehabilitation, lower public spending, and so on, even though it was under Conservative economic leadership that the budget deficit rose very sharply and that the public sector's share of the GNP grew considerably.

Successes

The Conservatives have won their biggest successes with the lower middle class: successes are noted among white-collar workers and young people and in the "hubs of growth": the big cities. The party has 1.3 million voters, but according to Georg Danell, party secretary, this was not reflected in the number of members--that is, the number affiliated with the party--until last year, when 20,000 new members joined, bringing the total to about 140,000.

Georg Danell explains: "We are hoping for 20,000 new members every year, and we will get them through local efforts, home visits, visits by three important Conservative politicians to every county association, and membership drives."

Ulf Adelsohn believes that people associate the Conservatives with issues that are honest and upright.

He also says that Social Democratic voters are doubtful and disillusioned today.

And the Conservatives are playing on that theme. Unlike the Social Democrats, the Conservative Party's most visible politicians are products of the 1970's.

Members of Parliament such as Ulf Adelsohn, Carl Bildt, Per Unckel, and Margaretha af Ugglas grew up in a modern political environment, while the front ranks of the Social Democratic Party still include a good many people who were schooled in the 1950's or earlier.

So are the Conservatives consciously pushing issues that appeal to discontented or disillusioned voters instead of winning sympathizers on objective political grounds?

That is what the top Social Democratic leadership says. The Conservatives sound out public opinion with a view to obtaining the most votes and gaining as many voters as possible. There is also international cooperation among rightwing parties, partly within the so-called black international--the EDU--and partly outside it. Slogans of the "freedom without socialism" type are an example of that international cooperation.

In the opinion of the Social Democratic Party's strategists, the Conservatives supply the same need to express discontent as Glistrup's party does in Denmark. They are successful because the Conservatives are the only party--with the exception of the VPK [Left Party-Communists]--that has never conducted an election campaign in which it was the government party and had to answer for its actions.

Threshold of Pain

The Social Democratic analysis is that if the Conservatives continue on their present course and reach their goal of over 30 percent of the voter preference, nonsocialist unity will be ruined.

"Thirty-one percent is not enough to govern the country with," says one member of the government, who also says that the only chance for the nonsocialist parties is for the middle parties to start striking back at the Conservatives.

"At some point, the middle parties will have to reach the threshold of pain. The incredibly insolent behavior of the Conservatives will have to end if the middle parties are to survive. Thorbjorn Falldin (leader of the Center Party) lets the Conservatives alone because he personally is more conservative than his predecessor, Gunnar Hedlund. In crucial situations, Gunnar Hedlund always stood up and blasted the Right."

The Social Democrats predict that not very much is going to happen this year. But in 1984 the nonsocialist parties will have to start taking action like the Social Democrats. The Conservative Party's attacks on the Social Democrats because of higher taxes, less freedom, and so on will be met with counterfire.

Homeowners

The freedom being defended by the Conservatives in their message will be debated by the Social Democrats: whose freedom and freedom on what conditions are the questions that the Social Democrats will be asking the Conservatives.

The Social Democrats explain: "For example, from the standpoint of women, the Conservative argument about freedom means that women should get out of the labor market and stay home with the children."

Who is this new Conservative voter that the Social Democrats want to convince and win back?

The Conservatives know. The typical new Conservative voter who does not vote by tradition or class is the owner of a row house in one of the newer suburbs.

To that voter, it is important to have fewer rules, less bureaucracy, and freedom of choice when it comes to babysitting, among other things. The owner of a row house--or homeowner--who has learned that a painful beginning gradually pays off and that he can live well on credit is more disillusioned by developments in society than the worker who has never been able to afford participation in the speculative economy.

Denial

It is the interests of the row-house owner that the Conservatives are bearing in mind.

Does this mean that the Conservatives want a two-party Sweden in which they will stand alone against the Social Democrats?

That suggestion is persistently denied by Conservative Party leaders. Conservative Party leader Ulf Adelsohn claims that it was "depressing, unfortunate, and rotten" to have to leave the three-party coalition. Party strategist Carl Bildt wants the Conservative Party to be the leader from the standpoint of ideas but to lead the country jointly with the other nonsocialist parties so as to be in a durable position in Parliament during the 1980's.

In their own opinion, the Conservatives have a relaxed relationship with the nonsocialist camp.

"The Conservatives: the party of the 1980's" is what the light blue advertising says.

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SDP, CONSERVATIVE PARTY LEAD IN POLLS; PALME LOSING TRUST

February SIFO: Middle Contracting

Stockholm SVENSKA DAGBLADET in Swedish 27 Feb 83 p 2

[Article by Gunnar Andr  n: "Surprisingly Stable"]

[Text] I freely admit that I expected at least a marginal decline for the Social Democrats in today's SIFO [Swedish Institute for Public Opinion Polls] poll, a continuation of the slightly downward trend that could be detected toward the end of 1982.

But apparently that did not take place, at least to judge by the 46-percent Social Democratic score for February, in spite of the MOMS [value-added tax] increase agreement with the VPK [Communist Left Party] in December, in spite of the fact that the state budget bill shows a record deficit, and in spite of the fact that a number of other things--even outside of foreign policy areas--have given the impression of a slight confusion or bewilderment on the part of the government or of individual ministers.

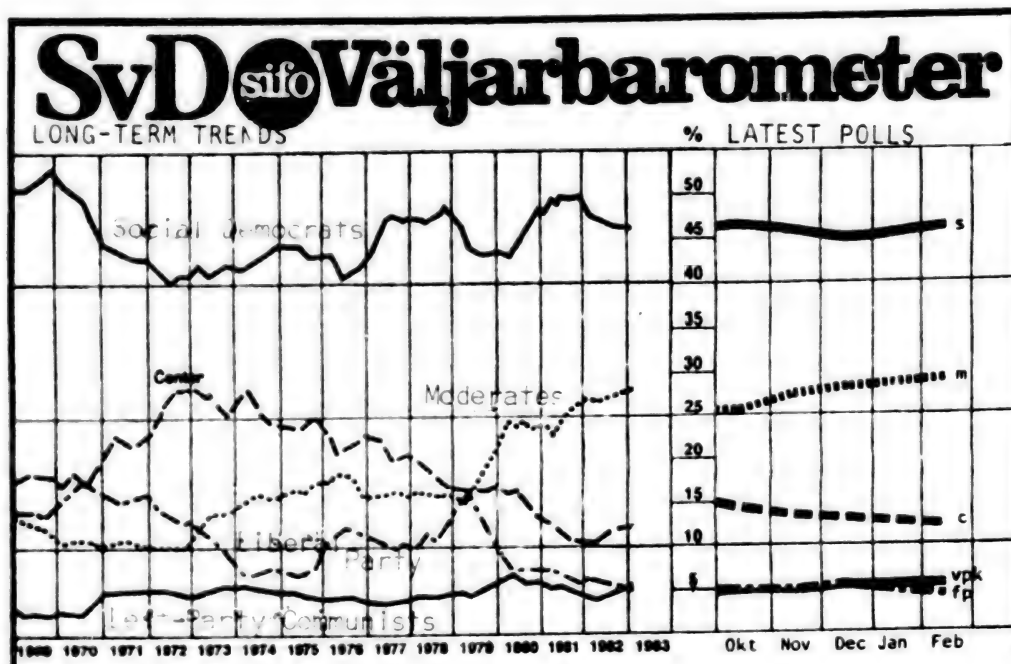
It may be assumed that in the present state of public opinion the SIFO figures are received with great satisfaction by the Social Democratic Party leadership.

As always, however, we must be cautious in drawing conclusions from small changes. If we look at the SIFO figures for the long-term trends--besides noting that the Social Democrats' gain is within the world-renowned margin of error--we get an impression of something a little different from a Social Democratic advance:

	Moderate Coalition Party	Center Party	Liberal Party	Social Democratic Party	Left-Party Communists
Election					
19 Sep	23.6	15.5	5.9	45.6	5.6
October	25.9	13.0	6.1	46.7	4.4
November	26.3	13.1	5.7	46.3	4.6
December	26.9	13.1	5.6	45.9	4.9
February	27.9	12.6	4.9	45.8	5.2

(It may be of interest to note that since the first postelection poll of 1982 SIFO has also counted the current month's poll in the long-term trend immediately, not after a month's delay, as was formerly the case.)

With the above little table in mind there may be good reason not to dramatize the Social Democratic gain--and the February gain should absolutely not be regarded as a break in the trend.



The long-term trend levels are:
Moderates 27.9%, Liberal Party 4.9%,
Center Party 12.6%, Social Demo-
crats 45.8%, Left-Party Commu-
nists 5.2%.

Enlargement of the last part
of the graph. Figures from
the table below and corre-
sponding figures for previous
months.

On the contrary, the probability is great that the long-term trend is downward --a thing that was predicted in this space late in 1982.

There is no occasion for changing that prediction.

In February 1979, when Ola Ullsten was prime minister in the Liberal Party gov-
ernment, the Liberal Party and the Moderates got a good 30 percent of the voter
sympathies in the SIFO poll. The parties were only half a percentage point
apart. The Center Party was still the biggest non-socialist party.

Four years later a good 30 percent of the electorate still considers that either
the Moderates or the Liberal Party is "the best party." The not insignificant
difference is that the Moderates, according to the long-term trend, get the sup-
port of about 28 percent, the Liberal Party a scant 5 percent.

What party do you think is best today?

Qualified voters of 18-70 with party sympathies	Feb 1983	Dec 1982	Nov 1982	Feb 1982	Feb 1981	Feb 1980
Moderate Coalition Party	29	28	27	28	22.5	24.5
Liberal Party	4	5.5	5	7.5	7.5	8
Center Party	12	13	13.5	9	13	16
Social Democrats	46	45	45.5	47.5	50.5	42.5
Left-Party Communists	5.5	5.5	5	4.5	5	7.5
Other parties	3.5	3	4	3.5	1.5	1.5
Qualified voters with party sympathies	100	100	100	100	100	100
% of qualified voters who vote blank or do not give their party	3	4.5	3.5	5.5	6	3.5
(Citizens interviewed)	(1011)	(1437)	(1002)	(1006)	(1028)	(1021)

The interviews last month were done house-to-house 26 January to 15 February.

The answers were given in the form of sealed ballots. In the election in September 1982 the Moderates got 23.6 percent of the votes, the Center Party 15.5, the Liberal Party 5.9, the Social Democrats 45.6, and the Left-Party Communists 5.6 percent. The poll figures, however, should be compared with each other, not with the election results, for the oldest qualified voters are not interviewed, not all who have party sympathies vote, and the desire to vote varies from party to party. The figures are rounded off to the nearest 0.5 percent.

No attention should be paid to changes from a trend level (see the figures below the graph on the previous page) that are less than 2 percent for the Social Democratic Party and less than 1.5 percent for the other parties. It should also be borne in mind that single fluctuations in a series do not necessarily denote any new trend.

If it is not the voters that are at fault, the Liberal Party leadership should draw the conclusion that it is the party's politics and image that are the cause of what has happened.

Are we really on the way to a two-party system?

The proportional election system we have in Sweden undoubtedly works against such a development. The stability of the five-party system has been enormous for decades.

And yet...

There are a number of new tendencies: direct switches of voters between the Social Democrats and the Moderates are increasing, the confrontation in political debate is palpable between the two big parties, the consequence is that the middle parties are squeezed more and more from both sides...

What does Hans Zetterberg, head of SIFO, say?

"The room for middle parties has decreased. There is a rule of thumb that the prerequisite for a middle party to succeed, apart from having a special profile on at least one or more issues, as the Center Party incontestably had in the early 1970's, is to fight equally hard in all directions."

Zetterberg does not say it outright, but his meaning cannot be mistaken: the Social Democratic embrace of the Liberal Party on various occasions is something of a death grip--if the party does not defend itself...

That the Liberal Party is losing voters to the Moderates is quite clear. But the Social Democrats that switch to the Liberal Party, on the other hand, are easily counted; far more in recent years have moved in the opposite direction.

One more question for Hans Zetterberg, apropos of the low poll scores for the Center Party that come back after every election. Is there any methodological error that may perhaps be connected with the Center Party's voter structure?

"No, it is absolutely not a question of any methodological error in the polls. It is a normal phenomenon that a party that has as poor press support as the Center Party has a hard time gaining between elections.

"The Center Party is thus more dependent for its election results than the other parties on the attention that its policy gets during the actual election campaign."

Lastly, the question that must in reason be both asked and discussed now is:

"What room is there for two independently operating middle parties in Swedish politics?"

"Is it not at least the voters' opinion that there is at least one alternative too many?"

Daily Comments on SIFO Poll

Stockholm SVENSKA DAGBLADET in Swedish 27 Feb 83 p 2

[Editorial: "Liberal Party at Bottom"]

[Text] The Social Democrats and the Moderates are fortifying their position as the dominant parties. The Center Party and the Liberal Party cannot stop their advance.

That is the main impression given by SIFO's new voter poll. And it is a matter of a tendency over several years that is in keeping with the political development that has taken place in many countries. Politics appears as a choice of system between two alternatives: a socialist and collectivist system stands against a liberal, market-economy, individualist system. In Sweden the modern Moderate Party has come more and more to stand out as the chief representative of the latter alternative.

Many are surely surprised that the Social Democrats (with reservations for the margin of error) actually seem to be strengthening their position in the polls.

The contrast between the rosy prospects held out during the election campaign and the government's practical difficulties should, one might think, have begun to erode the governing party's trustworthiness and consequently its voter support.

But only about 4 months have passed between the change of governments and the taking of the poll. The first striking thing about the Social Democrats' support in the opinion polls during that period was that the customary honeymoon rise did not occur. The stability of opinion has also sufficed to prevent a decline.

Really it is not especially surprising that the trust in the governing party is still at a high level. Even the sympathisers who have become more doubtful may feel that the government has not yet really had a chance to show what it is capable of. The Social Democrats may also have benefited by the fund question's having accidentally receded to the background.

Since 1973 the Center Party and the Moderates have changed places in voter opinion. The picture of what the Center Party really stands for has become increasingly vague. The other day Gunnel Jonäng, chairman of the Center Party's women's organization, said that she was closer to the Social Democrats than to the Moderates. Such an utterance cannot attract voters who want above everything to oppose a socialistic development.

For the Liberal Party the SIFO survey is a catastrophe. Four percent is the lowest poll figure the party has ever had. Even though it is a long time until the 1985 election, the question of whether the Liberal Party will succeed in getting into the Riksdag at that time is already beginning to haunt the party's active members.

It is quite clear what has happened to the Liberal Party. A chasm has developed between the party's leadership and the party's former adherents. That is because the Liberal Party's non-socialist reliability has been put in doubt.

It was in just that connection that the party's crisis group sought to get the development on the right track again by strongly marking out an antisocialist, market-liberal, and individual-centered ideology. But the party congress in January did not manage to do the necessary surgical operation either on the ideological or on the personal plane. Instead they tried to applaud themselves out of the problem.

SVENSKA DAGBLADET said in its summary of the congress that the party can hardly continue to exist as a Riksdag party with the fundamental split that has taken place. Pehr G. Gyllenhammar's words at the congress were prophetic: "The Liberal Party's crisis is not solved. It has just begun."

In reality the election of the party presidium cemented the chasm between the party leadership and the Liberal Party's old sympathisers. Ola Ullsten, Birgit Friggebo, and Ingemar Eliasson all three represent the tactical maneuvering and the ingratiation with the Social Democrats that have become the party's doom.

The party leader himself seems to have learned nothing. That is apparent among other things from his senseless trivialization of the Bahr affair. For his insistence that it was merely "a dead-end siding, a publicity stunt" he was taken to task on the editorial page of DAGENS NYHETER.

The Social Democratic Party is not invulnerable. One great weakness is its heterogeneity. The voters that the non-socialist parties are most likely to attract are, of course, those on the party's right wing, who are Social Democrats more from tradition or accident than from ideological conviction. The Moderates have realized that. Have the Center Party and the Liberal Party?

It does no good for any opposition party to sit and wait for the Social Democrats to govern themselves to pieces. What is needed is a consistent and firm opposition policy, anchored in man's striving for freedom and safety.

IMU Poll: Slight SDP Decline

Stockholm DAGENS NYHETER in Swedish 13 Mar 83 p 6

[Article by Åke Ekdahl: "Only the Social Democrats Down After the Election"]

[Text] The voters' sympathies for the political parties are stable. That is shown by DN/IMU's [DAGENS NYHETER/Institute for Market Research] second opinion poll after the election. The Moderates are still at a level just above the election results and the Liberal Party's collapse in the election has now been stabilized at the magical 4 percent minimum for getting into the Riksdag.

A good 900 representative voters were asked during February and March to do a new election exercise and put ballots in ballot envelopes for the party they think is best. Compared to the corresponding survey in November there is only one big change: the Social Democrats lose 2 percent of the electorate. But that is a single deviation that is not sufficiently pronounced to be statistically sure.

Sympathies

The trends that can be seen by comparison with the election results are that the Moderates have won additional support among the voters and are about 1 percent above their figure in the election. The Liberal Party, which was the big loser in the election, continued correspondingly to lose voters during the fall, but has now stopped at a level about 2 percent below the election figure.

The Center Party, the Social Democrats, and the VPK are unchanged at about the election figure.

For the small parties not represented in the Riksdag the February-March poll shows no change for the KDS [Christian Democratic Party], but continued high poll figures for the environmental party, 3.5 percent against only 1.6 percent in the election.

Clear Majority

The difference between the political blocs in the Riksdag are unchanged since the election. The Social Democrats are still somewhat stronger by themselves than the non-socialist parties taken together and have a clear majority with the support of the VPK.

Social Democratic Party

Moderates

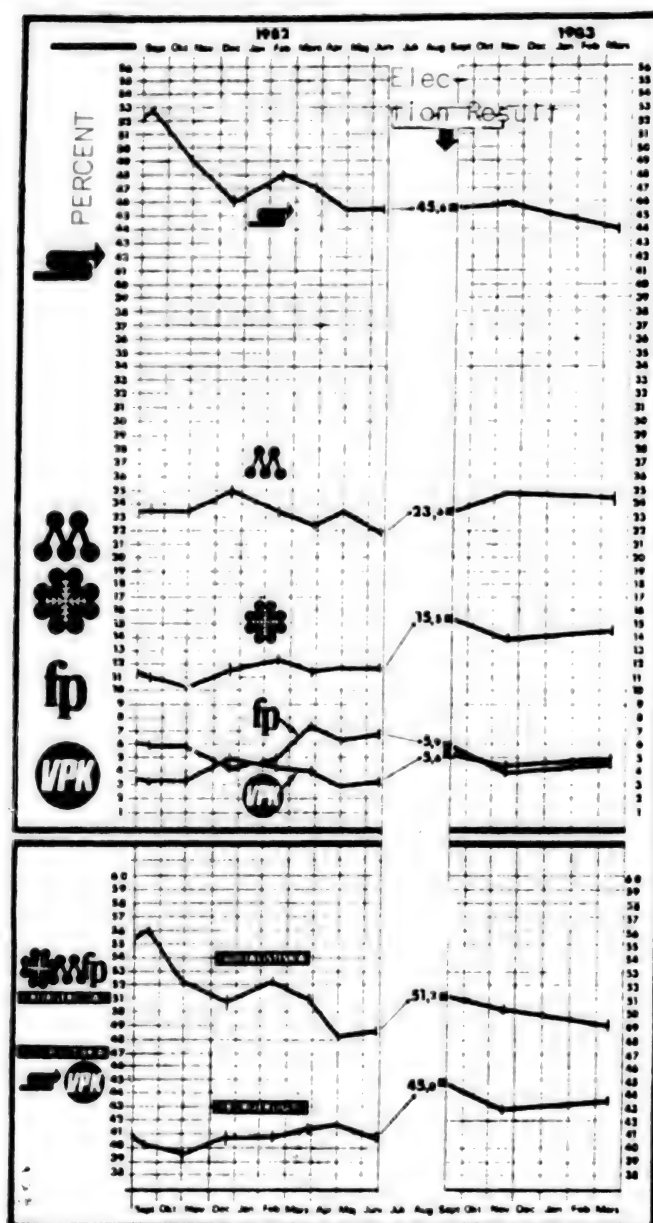
Center Party

Liberal Party

Left-Party Communists

Non-Socialist Bloc

Socialist Bloc



In the election the non-socialists had 45 percent as inst the Social Democrats' 45.6 percent and the socialist bloc's 51.2 percent. In the opinion poll in March the non-socialists got 43.5 percent, the Social Democrats 44.0 percent, and the socialist bloc 49 percent.

Here are the figures for the parties represented in the Riksdag:

	Election	November	February-March	
Moderate Coalition Party	23.6	25.0	24.5	-0.5
Liberal Party	5.9	4.0	4.5	+0.5
Center Party	15.5	14.0	14.5	+0.5
Social Democratic Party	45.6	46.0	44.0	-2.0
Left-Party Communists	5.6	4.5	5.0	+0.5

Polling Period	19th 17 May-14 Jun 1982	20th 8 Nov-1 Dec 1982	21st 31 Jan-2 Mar 1983
No. of qualified voters with party sympathies interviewed (= base for 5 percent)	912	910	905
Percent that say "best party" is:			
Moderate Coalition Party	22.0%	25.0%	24.5%
Liberal Party	7.0%	4.0%	4.5%
Center Party	12.0%	14.0%	14.5%
Christian Democratic Party	2.0%	2.5%	2.0%
Social Democrats	45.5%	46.0%	44.0%
Left-Party Communists	3.5%	4.5%	5.0%
Environmental Party	6.0%	3.5%	3.5%
Other Parties	2.0%	0.5%	2.0%
	100.0%	100.0%	100.0%

% of qualified voters that will not or cannot choose a "best party"	4.0%	4.0%	4.0%
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Since 1979 IMU has conducted 21 party sympathy polls. All the changes between the two latest polls--including the 2-percent change for the Social Democrats--are within the statistical margin of error.

The polls are conducted within nationally representative probability samples of Swedish citizens of ages 18 to 74. The interviews were done house-to-house. The question asked was: "What party do you think is best?" An election situation is simulated; the party preference is expressed by means of "ballots" and "ballot envelopes."

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Polling Methods Examined

How big is the Moderate Coalition Party really? SIFO says 29 percent and IMU says 24.5 percent. SIFO shows a rising trend for the Moderates, while IMU's survey says that the Moderates are at a level just above the election results.

The question is beginning to interest the political scientists. It is not common for two polls with comparable methods and during the same polling period to

show such great differences for a party as is now shown for the Moderates. The difference of 4.5 percent is too great to be attributed to chance.

During a long series of polls the situation is the same. SIFO gives the Moderates higher figures than IMU does. In the latest election prediction SIFO gave the Moderates 1.9 percent more than the party got in the election. IMU give the Moderates 0.8 percent too high forecast figures.

'In-House Effects'

The political scientists Olof Pettersson and Sören Holmberg made the same observation in their big study when they compared SIFO and SCB [the Central Bureau of Statistics]. In 11 cases out of 17 SIFO gave higher figures for the Moderates than the SCB did.

The experts in the branch have begun to discuss whether there are what they call "in-house effects" that cause SIFO's figures for the Moderates to be always higher than those of other polls.

It must be not the sampling method, the wording of the question, or the analysis, but a combination of the whole method that produces the distortions, they think.

Hans Alfredsson, head of IMU, guesses that there may be two explanations. The two institutes have different base samples of communes to make up a miniature Sweden to study.

In addition, he says, SIFO has a revolving sample of persons questioned, which results in a certain carry-over in the answers from preceding polls.

Suspicion

The poll analyst Sören Holmberg in Göteborg tells DAGENS NYHETER that there is reason for the two institutes to ponder over what it is that favors the Moderates at SIFO or treats them unfavorably at IMU.

There is an uncomfortable suspicion of SIFO's poll results based on the fact that SIFO also does contract jobs for the Moderates, according to a political scientist who wishes to remain anonymous.

Paper Views Polls' Differences

Stockholm DAGENS NYHETER in Swedish 13 Mar 83 p 2

[Editorial by Olle Alsen]

[Text] In today's IMU report in DAGENS NYHETER the Social Democrats and the Moderates drop to 44 and 24.5 percent respectively, while the Center Party gains somewhat, to 14.5 percent. In the recent SIFO poll, on the other hand, the Social Democrats increased to 47 percent and the Moderates to 29 percent, while the Center Party dropped to 12 percent!

Without considering whether both institutes are wrong or only one of them, we may say that it is nice that they report such great differences--4.5 percent for the Moderates, for example!--and conflicting results. Such things nourish a sound and necessary skepticism and counteract a disadvantage of opinion polls, which is that precisely because of their presumed impartiality and scientific character they distort the opinions they are supposed to be measuring. Only polls that are kept secret run no risk of becoming self-refuting. Those that are published, on the other hand, trigger various marginal changes; the follow-Ulf effect and the drop-Ola effect have been most pronounced in Sweden, broken off by the opposite save-the-Liberal-Party effect when the 4-percent chasm seemed to be opening up before the election last fall. The combination of opinion polls and the 4-percent minimum for representation in the Riksdag also make it unfairly hard for new parties to do their sympathisers justice. The in parties like to extend a hand to "Comrade Thrown-Away Votes" with the kind cooperation of the opinion institutes.

It looks as though SIFO for methodological or other reasons usually overestimates the biggest two parties more than IMU underestimates them, if it does. Experts inside and outside the institutes should seriously ponder that, if they want to maintain credibility.

On the other hand, in regard to the smaller parties in the Riksdag, the Liberal Party and the Left-Party Communists, SIFO and IMU are about equal, just above the 4-percent threshold to the Riksdag. And all the time the Environmental Party is increasing according to the IMU and sniffing at the dream threshold with its 3.5 percent.

If the Environmental Party's leaders and sympathisers manage to hold out and to hold together until the next election in 1985 in spite of being frozen out of the political scene by the mass media and the economy, it is not impossible that they will succeed in "the second attempt," just as the Greens recently did in the FRG.

Party Members' Confidence in Leaders Polled

Stockholm SVENSKA DAGBLADET in Swedish 2 Mar 83 p 6

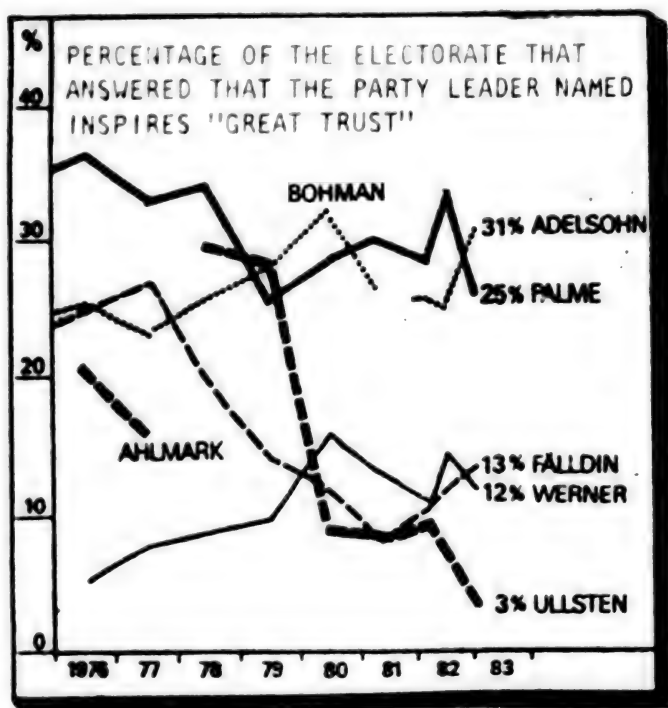
[Article by Emily von Sydow: "Palme Losing Confidence"]

[Text] Olof Palme and Ulf Adelsohn are the party leaders that enjoy the greatest confidence among the voters.

Palme's confidence capital has decreased, however, compared with the election campaign of 1982, while confidence in Adelsohn has increased.

The party leader that the voters have least confidence in is Ola Ullsten of the Liberal Party. Three percent of the electorate feel that they have great confidence in him. That is the lowest figure that SIFO has ever noted in its polls.

During the election 33 percent of the electorate had "great confidence" in Olof Palme. Now the figure is 25 percent, which is as high as a year ago.



The Moderates' leader Ulf Adelsohn enjoyed great confidence among 24 percent of the voters during the election campaign. That figure has risen to 31 percent.

Poll Taken During FP Conflict

The opinion poll is based on interviews with 1,500 persons 18 to 70 years old. The poll was taken in December 1982 and January and February 1983.

Hans Zetterberg, head of SIFO, points in the SIFO political newsletter INDIKATOR to an important reason for the low confidence enjoyed by the Liberal Party leader: The poll was taken during a time when the party and its leadership were struggling with great internal conflicts.

The Center Party leader Thorbjörn Fälldin's confidence capital has risen by a few percentage points to 13 percent since the election campaign of 1982.

Olof Palme has lost confidence among LO [Swedish Federation of Trade Unions] members, according to the survey. Before the election 45 percent felt great confidence in Palme. At the first of the year the figure was 35 percent.

Not Like Bohman

Ulf Adelsohn enjoys great confidence among his voters, but he does not come up to Gösta Bohman's class.

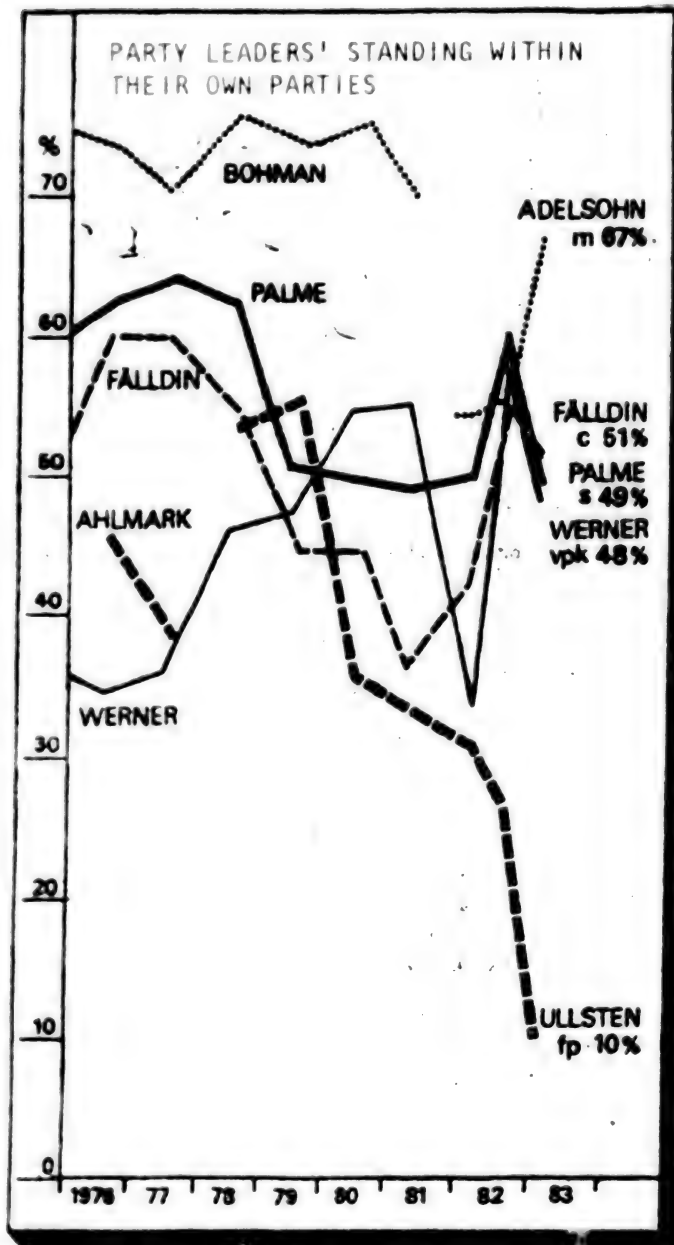
Sixty-seven percent of the Moderate voters have great confidence in Adelsohn. The figure was 55 percent before the election.

Before the election 26 percent of the liberal Party voters had great confidence in their party leader. According to the latest Ola Ullsten now enjoys great confidence among only 10 percent of Liberal Party voters.

Lower Support for Palme

Thorbjörn Fälldin enjoys great confidence among 51 percent of his voters, a decrease of 3 percent compared to the election campaign of 1982.

The Social Democrats' confidence in their party leader has also decreased. Before the election 60 percent of them felt great confidence in Olof Palme. That figure is now 40 percent.



The VPK leader Lars Werner enjoys the great confidence of 48 percent of his voters. Before the election the figure was 58 percent.

[Left] Ola Ullsten reaches a record low, with only 3 percent of the electorate that feel "great confidence" in him. But the figures for VPK and FP are uncertain, since the statistical sample is too small. That also explains why the figures for confidence in Lars Werner show such great differences.

Abbreviations:

m = Moderates
 c = Center Party
 s = Social Democratic Party
 vpk = Left-Party Communist
 fp = Liberal Party

851

CSO: 36-1-11

LABOR, SDP COMRADES IN BITTER FEUD WITH PALME ON ECONOMY

Copenhagen BERLINGSKE TIDENDE in Danish 26 Mar 83 p 4

[Article by Christer Isaksson]

[Text] Stockholm--There is now a state of war within the Swedish Social Democratic Party and LO [Swedish Federation of Trade Unions] about the nation's economy. Large groups in the party and LO feel that the Palme government is more interested in the budget deficit than in rising unemployment. This has touched off one of the sharpest debates in many years within the Swedish labor movement.

The sharpest criticism comes from LO, which feels the government cannot save as much as it has announced. The government and the National Bank are very concerned that the deficit might rise further and reach 120 billion Swedish kronor in the near future unless drastic steps are taken. There have been some proposals that all public bodies reduce their spending by 5 percent.

LO and most of the labor papers have an entirely different orientation--employment must be protected using all means possible. Subsidies should be granted so public employers can get going, in the view of LO, thus causing the discussion to focus on the task and the worthiness of the Social Democratic Party.

But most of all the debate has turned into a discussion of the alternatives of saving or "wasting" state funds. Palme and his people in the Ministry of Finance are described as savings fanatics who simply want to let unemployment shoot skyhigh in order to reduce state spending. And LO is depicted as a "reckless spender" strong in the belief that state funds should be committed to creating more jobs.

Now Olof Palme has also entered the debate. He says it is not a matter of either spending or saving. There is a need for both.

It is this middle course that is being called Palme's way. Or as he said himself: "the third way" of getting a western country out of an economic crisis.

6578

CSO: 3613/87

NORWEGIAN SOUTHERN FORCES CHIEF WORRIED OVER DANISH CUTS

Oslo AFTENPOSTEN in Norwegian 10 Mar 83 p 3

[Article by Knut Falchenberg]

[Text] "Danish defense has gotten into a critical mess, a thing that I have to lay weight upon in my defense planning," Robert Helseth, commander in chief in South Norway, tells AFTENPOSTEN. He points out that Gen John W. Vessey, chairman of the U.S. Joint Chiefs of Staff, who visited Norway this month, is prepared to fight in the Norwegian Sea, all the way to Murmansk if necessary. That is in line with Norwegian wishes. Here in Norway there is little point in talking about economizing as long as giving people notice is taboo.

In case of war, Vice Admiral Helseth will have direct responsibility for all military forces, vessels, and planes in the southern part of Norway. He designates Sweden as strategically uninteresting, and says that the Swedes' defense is so strong that the country has good chances of avoiding being drawn into a war between the Warsaw Pact countries and NATO, at any rate in an early phase.

But when it comes to Denmark, the admiral sighs heavily. "Denmark has grown weaker over the years," he says. "When the Danes enter into their political defense agreement, it seems that what is the minimum request at the outstart winds up after a short time as an almost unattainable maximum.

"The result is that Danish defense is in a critical phase, with no reserves that can be called up. They have a *so-called* brigade in Jutland and a *so-called* brigade on the island of Zealand. The reason I am saying it so strongly is that the defense of South Norway depends on NATO's standing firm on Danish territory and in Danish territorial waters," Helseth says, and thus confirms the criticism that former defense chief Sverre Hamre expressed before he retired. He emphasizes, however, that the West German effort in this area is substantial and gratifying, and contributes to compensating for Danish negligence.

Maj Gen Leif Lundesgaard of the Trøndelag District Command says he shares Helseth's views on Denmark. "Conditions are bad and worthy of study," he says.

Another problem for the defense of South Norway is that the growing Soviet Northern Fleet is more and more capable of making its presence felt in the

Norwegian Sea. That was touched upon by the Norwegians during the recent visit of Gen John W. Vessey, chairman of the U.S. Joint Chiefs of Staff.

"I believe we got a hearing for the view that the narrow seas between Greenland, Iceland, and the Faroes will not be the cork in NATO's bottle-neck. It is not there that we shall draw the line in a naval battle for the Atlantic. On the contrary, Vessey said that the Americans are prepared to fight in the Norwegian Sea, all the way up to Murmansk. He does not have to send his aircraft carriers extremely far to the north in that exposed area; it is enough if the navy's planes can reach their targets. Since the aircraft carriers have begun to carry along their own tank planes, the attack planes can be refueled in the air and thus attain ranges of 1,000 nautical miles," says Vice Admiral Helseth.

As for the need for savings in the Norwegian defense budget, the commander in chief in South Norway says that there is little point in talking about closings or savings that do not involve dismissal notices.

"But we are not allowed to say yes to any economy proposal that involves anyone's being given notice. It may be a matter of two cooks at Dal, carpenters at Vealøs, the horse service, or the band. We even have cases where the Storting's decisions were not obeyed. For example, there was the decision that the naval activity at Horten was to be cut out when Haakonsværn in Bergen was built up as the main base."

If he were free to do so, Vice Admiral Helseth would shut down a number of extras that have been added to the Armed Forces organization, such as the efficiency expert service, the psychological service, and the joint signals service, he says.

8815

CSO: 3639/84

NEW OPTIONS IN SERVICE TIME, PAY FOR DRAFTEES

Defense Minister's Communique

Paris LE FIGARO in French 25 Feb 83 p 11

[Article: "An Extended Service for Draftees Who Volunteer To Remain in the Armed Forces"]

[Text] The possibility of service extended beyond the legal 12-month stint, together with a pay increase, will be made available to draftees in the national service.

"The reform in the substance of military service, which is one of the major goals of Charles Hernu, French minister of defense," a communique from the Ministry of Defense notes, "mandates that draftees be invited to hold, for longer and under better terms than now, responsible positions in the armed forces, specifically as cadres and specialists.

"That is the reason for the creation of the possibility of service beyond the mandatory 12 months for draftees who volunteer to do so, to enable them to acquire the training and experience necessary in these jobs.

"The government bill amending the National Service Code, which will be introduced in parliament in the spring of 1983, calls for the necessary provisions in this respect. So as not to lose time in the initiation of this reform, regulations have been issued," the communique adds.

"Essentially," the communique explains, "what is involved is to improve the pay scale of these draftee-volunteers who will receive 1½ times a draftee's pay during their first 6 months of [extended] service and then 2½ times this amount. In addition, they will be entitled to an allowance on leaving the service. The necessary budgetary credits have been provided for in the 1983 budget law. On Wednesday, the Council of Ministers approved the last of the decrees making possible the launching of this important reform."

This extended service, still according to the Ministry of Defense, could involve 3 percent of the annual contingent of from 260,000 to 380,000 draftees, that is, between 7,800 and 8,400 draftees.

Pay Increase

Paris LE MONDE in French 26 Feb 83 p 20

[Article: "Pay Will Be Raised for Draftees Volunteering To Remain Beyond Their 12 Months' Service"]

[Text] The pay of draftees volunteering for military service beyond 12 months will be raised: It will be $1\frac{1}{2}$ times the pay of the regular draftee during the first 6 months of [extended] service and $2\frac{1}{2}$ times beyond that point. As of 1 January 1983 the daily pay of a draftee in the rank and file was 11.50 francs.

This is what Charles Hernu, French minister of defense, has decided. In November 1982 he had announced (see LE MONDE of 11 November 1982) his intention of establishing a military service period beyond a year to enable draftees-volunteers to occupy positions as cadres or specialists. Minister Hernu believed that, with a financial incentive, there could be over 10,000 volunteers in a calendar year.

A government bill amending the National Service Code in this respect will be introduced in parliament in the spring of 1983. Beyond 6 months' [additional] service a draftee volunteering to sign up for extra time will receive 862.50 francs a month (instead of the present 345 francs). Additionally, it is anticipated that he will be paid an allowance on leaving the service, in an amount still to be determined.

2662

CSO: 3519/373

ESTIMATES SAY ARMED FORCES TO BE REDUCED BY 45,000 MEN

Paris LE FIGARO in French 1 Mar 83 p 9

[Article by Pierre Darcourt: "Reduction of 45,000 Men Planned for the Three Armed Services"]

[Excerpts] Everything involving the preparatory studies of the new defense act has been kept in strict secrecy for the past few months.

When, at the end of the summer of 1982, some newsmen specializing in defense programs had ventured to make estimates on personnel reductions hanging over the three armed services, they received urgent telephone calls from the minister of defense's office requesting that they show greater circumspection on information based at that time merely on "working hypotheses."

After the disclosure of "confidential defense" documents by LE MATIN DE PARIS, it seems that these hypotheses were already being taken very seriously by the three chiefs of staff of the French Army, Air Force, and Navy.

The provisions of the defense act for 1984-88 have now been finalized. Surrounded by secrecy, they will be transmitted to the Defense Committee of the French National Assembly only around the end of March 1983.

Economy Has Prevailed

But everything leads one to believe that the figures reported by newsmen in September 1982 will be confirmed.

The reduction in personnel will probably be around 45,000 for the three armed services of which 35,000 for the Army. This cutback will stretch over a 3 year period.

Originally, the minister of defense had discussed the matter with his chiefs of staff and taken into account the reservations that they voiced.

But the military argument has not prevailed while the economic argument came out on top. The prime minister resolved the differences in opinion.

At the time of the latest Council of Ministers' meeting held 8 days ago, none of the three chiefs of staff was asked to attend. Only General Lacaze, head of the joint chiefs of staff, was present to receive the government's decision on the issue.

Tension runs high, especially in the Army, whose chief of staff will in the long run see the use of tactical nuclear weapons removed from his control and consolidated in the hands of the head of the joint chiefs of staff, of the I Army supported by FATAAC [Tactical Air Force], of the Rapid Deployment Forces, and of the future antitank helicopter force.

The name of the successor [of General Delaunay, chief of staff of the French Army], Gen Rene Imbot, is making the rounds of government executive offices. This would be a significant appointment. Now director of Army personnel, General Imbot seems to be highly qualified to continue to head studies on projections and he is very familiar with the structures of the French Army, so that he can make the mandated changes in the smoothest manner possible.

A slogan is spreading in the Army on the next defense act: "Priority for reform and for austerity management."

2662

CSO: 3519/373

MISSIONS, ARMAMENT, DIAGRAM OF NEW TRANSPORT SHIP CLASS

Paris COLS BLEUS in French 5 Mar 83 p 13

[Article by Lt Cdr Mouillet: "The 'Dumont d'Urville' From Rouen to Tahiti"]

[Excerpts] The third in the series of light transport ships, the "Dumont d'Urville" was built at the French Western Shipyards at Grand Quevilly (Seine Maritime Department). After the ship was laid down in December 1980, it was launched on 27 November 1981 and fitted out for trials on 18 September 1982.

Previously, Chantiers de Normandie [Normandy Shipyards] had built four light transport ships for export.

Missions

Transport of a company (138 men) together with their weapons, equipment, and vehicles; embarkation or landing on beach or pier.

Transport of miscellaneous material.

Extended patrol on the high seas (15 days).

Limited self-defense against ground or surface adversary.

Showing the flag in French overseas territories and foreign countries.

General Characteristics

Displacement: 1,386 tons;

Length: 80 meters;

Beam: 13 meters;

Draft: 2.50 meters;

Power: 3,600 horsepower;

Maximum speed: 16 knots;

Cruising speed: 13 knots;

Range at 13 knots an hour: 3,500 nautical miles;

Propulsion: Two variable Kamewa shafts for screws;
Two AGO Diesel engines generating 1,800 horsepower each;
Two Citroen reduction gear assemblies.

Transportation and Beaching Facilities

Transportation of 138 men equipped and armed together with their vehicles (9-ton trucks or 14-ton tanks);

Vehicle loading through

- a. Hatch in hold;
- b. Stempost door with two leaves and two platforms;

Possibility of loading and unloading these vehicles on a beach or on a pier through the stempost door;

Possibility of transporting 300 tons of material in bulk or in weather-proof packaging;

Use of helicopters thanks to a platform area in the stern.

Armament

Two 20-millimeter rapid-fire guns;

Two 12.7-millimeter machineguns;

One 7.5-millimeter machinegun mounted at stempost loophole;

One 81-millimeter mortar.

Crew

5 officers; 16 petty officers; 26 leading seamen and seamen.

Passengers

50 officers, 15 noncommissioned officers, 118 rank and file.

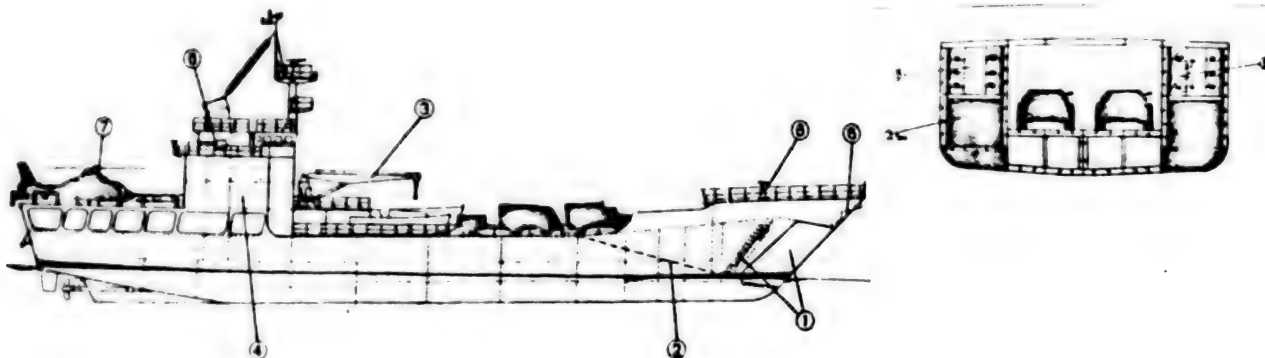
Miscellaneous Storage Capacities

Diesel oil: 116 tons;

Drinking water: 208 tons;

Ammunition: 9 tons;

Supplies: 2 tons.



Key:

1. Stempost location for tanks or trucks weighing 14 tons
2. Access ramp for vehicles weighing 9 tons
3. Winch with 10-ton capacity
- 3a. Stores and bunkers
4. Air-conditioned living quarters for crewman and 20 passengers (officers and noncommissioned officers)
5. Air-conditioned living quarters for 118 passengers
6. Armament: Two 20-millimeter guns; two 12.7-millimeter machineguns; and two 81-millimeter mortar launchers
7. Helicopter platform area

2662

CSO: 3519/378

NAVAL BUDGET, SHIP ORDERS FOR 1983 DETAILED

Paris COLS BLEUS in French 19 Feb 83 pp 4-6

[Article: "The 1983 Budget"]

[Text] The 1983 budget straddles two finance acts. First, law 77/82 whose catch-up year it represents; then, law 84/88 whose major orientation, at least for the first few years, it foreshadows.

National Defense Budget

The 1983 defense budget totals Fr 133,222 million, which represents 3.905 percent of the Gross Domestic Product anticipated for 1983 and computed on the basis of the 1982 budget on the assumption of a 2 percent increase and a price rise of 8.5 percent.

Compared to 1982 the budget is up by 8.46 percent.

The Navy Budget

Generalities

The Navy budget totals Fr 23,879 million in payment credits and represents 17.9 percent of the defense budget, its growth being 8.8 percent. As has been the case since 1980, in 1983 the Navy will spend more on capital expenses (Title V stands at Fr 12,299 million) than operations (Title III calls for Fr 11,580 million).

The large budgetary aggregates are made up approximately as follows:

One quarter of the budget for pay and social expenditures;

One quarter of the budget for Navy and Fleet Air Branch maintenance, operations, fuel, and supplies;

One quarter of the budget for Navy and Fleet Air Branch craft and ammunition;

One eighth of the budget for craft and operations of the Strategic Ocean Force [FOST];

One eighth of the budget for infrastructure; clothing, quartering, berthing (HCC); SERTIM (Technical Naval Communications and Data Processing Service); and studies.

Let us also recall that the Navy allocates to the DTCN (Technical Directorate of Naval Construction and weaponry) a little over 50 percent of its budget for the construction and maintenance of its craft.

Operating Expenses (Title III)

Payment credits of Title III total Fr 11,580 million, up by 10.7 percent compared to 1982. In 1983 we should have few difficulties in management of the board, pay and social expenditures subheads, a tight but still acceptable situation in the case of Navy and Fleet Air Branch maintenance, and finally a very tight situation in the operations and current expenses subheads whose increase will only stand at 7.95 percent, that is, below the projected inflation level. Finally, it was decided for the armed forces as a whole not to increase the budgeted allocation for fuel expenditures. Since the same level of activity is to be maintained, this decision wagers on stability or even a drop in oil prices.

Capital Expenses (Title V)

Payment credits

Title V payment credits total 12,299 million francs, up 7 percent compared to 1982. This is insufficient to preserve the Navy's purchasing power, considering that this increase is below the projected inflation level and that the prices of material are rising annually faster than average prices, this difference varying, depending on the years, between 2 and 4 percent.

The credits of the Strategic Ocean Force are up 26.24 percent, which reflects the very high priority which continues to be given to this component of the French forces.

In contrast, the building of conventional craft for the Navy is being allocated credits that are down 1.02 percent and those of the Fleet Air Branch are down by 10.61 percent in current francs.

This sizable decline in purchasing power is reflected in the delay in the construction of the "Atlantic G-2," the suspension of the order for small vessels, and the stretching out of a few major programs.

Program Authorizations

These do not involve credits to be spent this year but in some way "checks" given to the Navy to enable it to launch programs that will be staggered over several years. These program authorizations represent Fr 14,822 million and are up 9.9 percent compared to 1982.

This rise is greater than that of the overall defense program authorizations (8.5 percent). To the extent that program authorization are heralds of the future, this figure represents a small ray of sunlight in a picture which is fairly gloomy otherwise.

Conclusion

The 1983 budget is a difficult budget through which the Ministry of Defense shares in the national effort to economize. Too, in order to face the coming period in the best possible way, we shall have to continue to follow very closely the operational expenses and optimal distribution of resources. It is only at that price that it will be possible to press forward with our effort of renovation and modernization of our capabilities, hoping that in the long run, in a country where the quality and usefulness of its actions are increasingly well perceived, the French Navy will be allocated the financial means appropriate to its mission.

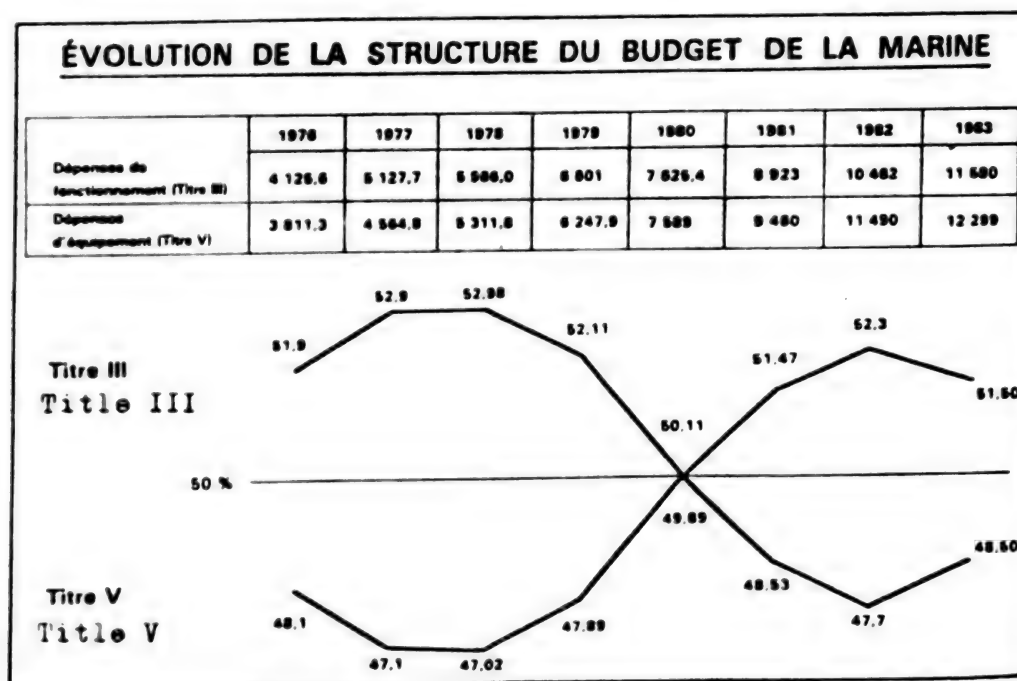
Evolution of the Navy's Budget Structure [in millions of francs]

Operating expenses (Title III)

<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>
4,125.6	5,127.7	5,986.0	6,801.0	7,625.4	8,923.0	10,462.0	11,580.0

Capital expenses (Title V)

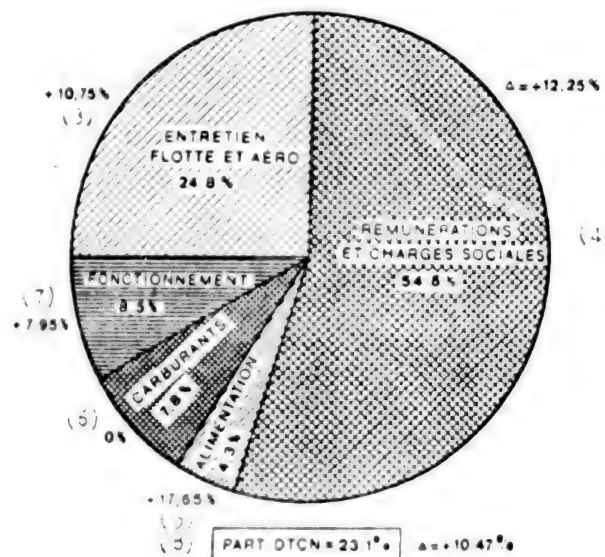
<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>
3,811.3	4,564.8	5,311.8	6,247.9	7,589.0	9,460.0	11,490.0	12,299.0



BUDGET MARINE 83

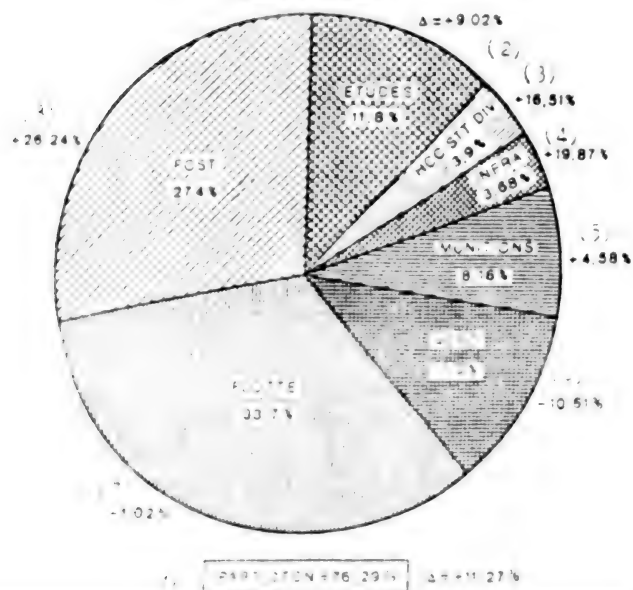
Crédits de Paiement Titre III

11 580 MF $\Delta_{83/82} = +10.69\%$



Crédits de Paiement Titre V

2 299 MF $\Delta_{83/82} = +7.05\%$



PART DTGN 476.29% $\Delta = +11.27\%$

Page 101 next page

Key:

1. Navy's 1983 budget
2. Payment credits--Title III
3. Navy and Fleet Air Arm maintenance
4. Pay and social expenditures
5. Board
6. Fuel
7. Operating expenses
8. Share of the Technical Directorate of Naval Construction and Weaponry (DTCN)

Key:

1. Payments credits--Title V
2. Studies
3. Clothing, quartering, berthing; Technical Communications Section (STT)
4. Infrastructure
5. Ammunition
6. Fleet Air Arm
7. Navy
8. Strategic Ocean Force (FOST)
9. Share of the Technical Directorate of Naval Construction and Weaponry (DTCN)

Orders and Deliveries Projected in 1983

Orders:

Two antiaircraft corvettes: Nos 3 and 4

Deliveries (fitting out completed for the following craft):

Antisubmarine corvette: "Jean de Vienne"

Avisos: "Commandant L'herminier," "Commandant Ducuing," "Commandant Birot"

Light Transport ships: "Dumont d'Urville," "Jacques Cartier"

Training vessels: "Guepard," "Chacal," "Lion," "Tigre"

Minesweeper: "Eridan"

Trawlers assigned to the TAAF (French Southern and Antarctic Territories)

Aircraft: 2 Super Etendard, 11 Lynx, 2 Gardian, 5 Xingu craft

2662

CSO: 3519/378

BRIEFS

MNF DIVISION IN LEBANON--The French contingent of the multinational security force [MNF] in Beirut has received reinforcements of 298 men. This force, intended to back the Lebanese Army in reinstating its control over the country, faces a difficult situation. An initial group of 160 men left Nantes by air on 4 February 1983. The following day, the BDC [tank loading craft] "Dives" sailed with a second group of 138 men and some 60 vehicles, armored cars of the RICM [Naval Tank Infantry Regiment], and trucks of the 3rd RIMA [Naval Infantry Regiment]. These troops belong to the 9th Naval Infantry Division based in Brittany and which is part of the Rapid Deployment Forces. The "Dives," under the command of Lieutenant Commander Caron, landed troops and vehicles in Beirut on 13 February. [Text] [Paris COLS BLEUS in French 5 Mar 83 p 21] 2662

ARMED FORCES PERSONNEL, LAND IN VAR--The Navy in Var Department is represented by 22,000 officers, petty officers, and seamen, and 12,000 civilians working at the arsenal. The French Army, General Goupil, military governor of Marseilles noted, has 7,700 men in Var Department. The Gendarmerie has 900 personnel. Defense personnel in Var Department represent 6.4 percent of that department's population and their annual pay totals 200 million francs. The chief engineer of naval projects, Mr Tronchet, deputy central director of naval projects, spoke of the impact of the military. Var Department has 40,000 hectares of land divided into 280 units which are owned by the military. This is a record for France. Canjuers Camp, the largest of the military facilities, comprises 34,000 hectares. [Excerpts] [Paris COLS BLEUS in French 19 Feb 83 p 18] 2662

'VAR' ARRIVES AT TOULON--The new oil tanker-supply vessel "Var" arrived at Toulon for training purposes at the Naval Training Center. The third in the series of oil tanker-supply vessels, the "Var," which was laid down in Brest in May 1979 and which was launched in May 1981, was fitted out for trials in April 1982. A tanker but also a command vessel, the "Var" can accommodate a naval district commander and his general staff. The craft will play this two-fold role in the Indian Ocean. The "Var" displaces 17,800 tons when fully loaded and can carry 10,000 tons of supplies. It also transports a Lynx WG-13 helicopter capable of effecting vertical refueling. The ship carries 10 officers, 62 petty officers, and 90 leading seamen and seamen, though there are accommodations for 257 personnel. A fourth oil tanker-supply vessel has just been laid down in Brest. [Text] [Paris COLS BLEUS in French 19 Feb 83 p 20] 2662

MORE ARMS PURCHASES FROM DOMESTIC SUPPLIERS

The Hague ANP NEWS BULLETIN in English 11 Mar 83 p 1

[Text] The Hague, March 11--The state secretary for defence, Mr Jan van Houwelingen, urged Holland's NATO partners last night to reconsider plans to procure military equipment in the United States if the Americans do not place more military orders with European firms.

Speaking during a second chamber debate on the defence ministry's 1983 budget, he agreed the Netherlands must give priority to its own industry unless the Americans open the U.S. market to Dutch arms makers.

He endorsed the view of the three main parties--CDA, Labour and VVD--who urged the government this week to buy defence equipment preferably in Holland.

Mr Van Houwelingen promised to make more detailed proposals to involve Dutch industry as far as possible in the defence ministry's procurement policy. The proposals would be set out in the government's defence paper due next autumn.

The state secretary said the defence ministry was ready to take upon itself a reasonable share of the extra cost involved in the buy-Dutch approach.

U.S. Market Penetration

As chairman of a meeting of the European NATO partners this year dealing with the procurement of military equipment, he would try to prise open the American market for the European firms, he added.

He denied that Holland bought nearly all its defence equipment abroad, pointing out that of the 4.6 billion guilders spent in the 1977-81 period roughly one half had gone to Dutch industry.

In addition Holland had won offset orders totalling 600 million guilders, he added.

Defence Minister Job de Ruiter said the U.S. congress was largely to blame for the difficult U.S. market. The Reagan administration was showing some goodwill although emphasising that military procurements were a question settled by firms among themselves. An added disadvantage was that the European NATO countries did not present a single front.

BRIEFS

LABOR REGULATIONS HARM COAST GUARD--On the basis of the working hours regulation and tight job limits, each coast guard vessel has only 150 sailing days a year. That is 100 days less than the Storting's original intention. According to the newspaper FORSVARETS FORUM [Armed Forces Forum] the Coast Guard cannot expect more billets for a long time, since the armed forces leadership has recently rejected plans for double crews on the new vessels. According to the latest budget directive it is thus clear that the coast-guard vessels will continue to lie up 200 days a year at Sortland, which is the Coast Guard's new base. [Text] [Oslo AFTENPOSTEN in Norwegian 18 Mar 83 p 4] 8815

CSO: 3639/84

SERRA ABSENCE FROM NATO NUCLEAR PLANNING GROUP MEETING ASSESSED

Madrid ABC in Spanish 15 Mar 83 p 17

[Editorial: "Absent From NATO"]

[Text] The absence of the defense minister from the next NATO Nuclear Planning Group meeting, which will take place on the Algarve coast in Portugal, and the announcement that the Spanish seat will be occupied by our ambassador to the North Atlantic Council constitute a two-phase action. By their contradictory character these two developments provide an example of the confusion which our Ministry of Foreign Affairs suffers from in connection with any development related to NATO.

We may first analyze the absence of Narciso Serra, the minister of defense, since the minister himself announced it in his statement before members of the Congressional Committee on Foreign Affairs on 18 February. This was a considered decision and, therefore, doubly serious, since it is hard to understand that in this year of "Euromissiles" and the Geneva discussions on disarmament the minister of defense has decided against obtaining the best available information to which a European country could have access at this critical time.

The reasons given by Minister of Foreign Affairs Fernando Moran before the Committee on Foreign Affairs, which reflected a state of confusion which worsened the mess, lacked any real solidity, since, if our interpretation of the matter is correct, the minister appeared before the committee to say that the denuclearization of Spain, which was legally included in the approval given by our Parliament to Spain's joining the North Atlantic Treaty, justified the absence of our minister of defense from the meeting of the Nuclear Planning Group. This excuse belongs to that class of Machiavellian distinctions which seems to be the usual style of our present diplomatic attitude when NATO affairs are involved. Two countries which are members of the NATO alliance, Norway and Denmark, like Spain, have a standing prohibition on the storage of nuclear weapons in their territory. However, they are attending the meeting on the Algarve coast for the simple reason that what they are doing at the meeting is obtaining information provided by the United States on all of the present problems of the military nuclear world. At the same time the United States in turn is listening to the suggestions which each member country of the NATO alliance may wish to make.

The meetings of the Nuclear Planning Group are held at the ministerial level. whatever the rank of the person who occupies the seat of each member country. At the meeting on 30 November Admiral Liberal, then under secretary of defense, attended on behalf of the minister. If now Jaime Ojeda, Spanish ambassador to NATO, attends the meeting, he will do so as a representative of the minister of defense, whose absence will only serve to deprive him of information of exceptional interest, but without reducing the extent of the commitment which Spain accepts once it attends the meeting. If our Ministry of Foreign Affairs really wants to make a gesture of distancing itself from the NATO alliance, the only way to do this is to leave the Spanish seat at the meeting "vacant."

5170

CSO: 3548/291

SERRA ON ARMY MODERNIZATION; PROPOSES AV8B FOR FLEET

Barcelona LA VANGUARDIA in Spanish 15 Mar 83 p 11

[Text] Narcis Serra, minister of defense, stated yesterday [14 March] in Valencia: "We will carry forward the operational modernization of the army in strategic areas in order to have an army with a real capacity for dissuasion, so that it will never be necessary to take action in Ceuta and Melilla." He made the statement during the first day of his official visit to the military region of Valencia. The reason for this 2-day visit is to have consultations on the program for restructuring the armed forces.

In his public statements made at the Captaincy General of Valencia Serra denied that the restructuring of the army would involve the abolition of the Captaincy General of Valencia. Indeed, he stated that the Levante region is a strategic military area.

Serra said at his press conference: "We are going to have a smaller but more operationally effective army, based on the principles of the 'META' plan for the modernization of the army. We will end the practice of stationing troops in urban centers and will keep in mind the concept of the maneuvering capacity of the units which have to go out into the field, instead of merely occupying territory."

The minister of defense dismissed any kind of special action regarding Ceuta and Melilla, but he stated that the mobility and the operational readiness of the units in those cities would be increased so that the army would have such a capacity for dissuasion that any action against the two cities would be prevented.

He also referred to the FACA program, assuring his listeners that there would be no decision made in the next few days. Serra stated: "We will continue with the doors open to any choice."

He declared that no decision has been made regarding the members of the now dissolved Democratic Military Union. He stated that the legal department of the Ministry of Defense, in coordination with the Ministry of Justice, are working exclusively on the recent sentence handed down by the Audiencia Territorial de Valencia [Valencia Regional Court], according to which appeals against military punishment orders will be considered through administrative channels. He said: "All of this will be resolved when the Code of Military Justice and the Military Discipline Law are presented to congress, separating the penal and disciplinary elements."

Previously, at the official reception at the Captaincy General, Narcis Serra --who was accompanied by General Ascanio, army chief of staff, and Reverter, director of CRISDE explained to the military commanders of the area that the META plan "is not something which has already been decided, nor will it be imposed on the different units. It is a group of principles which should take concrete form after a study of the problems affecting each military region."

In his welcoming speech Manuel Vallespin, the captain general of Region III, stated that in his area of responsibility there are "some shortcomings, problems, and difficulties which have been with us for a long time and others which will come from the readjustments made under the new organization of the Army." The captain general of Valencia concluded: "We accept with pleasure the challenge involved in the reform under way, insofar as it involves work and sacrifice, in order to achieve greater efficiency which will facilitate the defense of our country, should that become necessary."

Navy To Obtain 12 "Harrier" Aircraft

In addition the minister of defense will propose to the government on Wednesday [16 March] the purchase of 12 "Harrier B" (AV8B) vertical takeoff aircraft for the Navy, to be delivered in the course of 1986.

Once the cabinet approves the acquisition of the aircraft, the contract is scheduled to be signed on 23 March. According to EFE [SPANISH NEWS AGENCY], the cost of the aircraft will be about \$380 million, with some counter-purchases in Spain amounting to 30 percent of the total. The builder of these aircraft is McDonnell Douglas, the same American company producing the "F-18A," the aircraft already under contract for the FACA modernization program.

5170

CSO: 3548/]91

DEFENSE MINISTRY TO ESTABLISH SUBSTITUTE FIRING RANGE

Madrid EL PAIS in Spanish 22 Mar 83 p 22

[Article by Alfonso Castro]

[Text] Ciudad Real--A spokesman for the Defense Public Relations Center announced yesterday the intention of the Defense Ministry to construct a firing range on the estate Cabaneros in Ciudad Real that will replace the range at Las Bardenas Reales.

In spite of this affirmation, PSOE [Spanish Socialist Workers' Party] parliamentarians stated yesterday in a press conference called by the Socialist executive council of Ciudad Real that the possible closing of the firing range at Las Bardenas Reales and the creation of a similar installation on the estate Cabaneros in Ciudad Real, property of the Aznar family, is still being studied by the Defense Ministry. "For the moment, nothing definite has been decided," declared Senator Fernando Sanz. According to these sources, the ministry will not adopt a final decision in this sense until the completion of several studies now in progress on the ecological, agricultural and economic aspects related to the estate. "A final decision will not be reached," declared Mr Sanz, "without a detailed analysis and an evaluation of all sorts of circumstances."

For the moment, and according to statements by the estate's general administrator, there still has been no signing of a contract with the Defense Ministry to purchase the estate. Senator Sanz denounced "the demagogy in this matter by groups such as the PCE [Communist Party of Spain], the AP [Popular Alliance] and the PDP [Popular Democratic Party]," while the delegate Miguel Angel Martinez referred to "an absolutely worrisome very impudent objective of agitation" that is being produced "by some groups."

Popular Alliance parliamentarians Juan Angel del Rey and Jose Luis Aguilera have sent to the government several questions related to the new range. Specifically, assuming that the ministry has decided on the change, they ask about the time frame for the new installation, about the measures taken by the government to guarantee the safety of citizens and to neutralize possible unemployment in the agricultural sector as a consequence of the impossibility of dedicating the lands to agriculture and about the compensations yet to be determined by the ministry in relation to the district of Los Montes, where the estate is located.

The PCE's provincial committee has made public a communique in which, after vigorously opposing this project, which it considers very harmful to all the interests of the province of Ciudad Real and of the region Castille-La Mancha, it announces that by means of the Mixed Group it is going to present an interpellation on the matter in parliament. At the same time, the Communists are inviting various organizations to proceed as soon as possible with "the studies and investigations prior to the declaration that Cabaneros is a manifestly improvable estate and to include this place as a national park."

For its part, the Communist Party of Albacete has also expressed its concern about the move, which would probably bring with it in a parallel manner the moving of the air base at Zaragoza to the base at Los Llanos. They base this assertion on some recent statements by the mayor of Zaragoza relating the permanence of the Zaragoza base with that of the firing range at Las Bardenas Reales. "If the firing range goes to Ciudad Real," he states, "it is highly likely that the base will be situated near there."

The estate, converging more than 21,000 hectares and considered the largest landed estate in Europe, has been exploited by Inmobiliaria del Bullaque, S.A., owned by the Aznar family, as a private hunting reserve as well as for cattle raising and grain cultivation. It is in the district of Los Montes.

9746

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VALUE, USEFUL LIFESPAN OF NEW ARMY ASSAULT RIFLE QUESTIONED

Zurich DIE WELTWOCHEN in German 9 Mar 83 pp 17, 19

[Editorial: "Full Steam Ahead Into Chaos"]

[Text] For the first time in the history of Switzerland, the introduction of a new small arms weapon in the army--which can muster around 600,000 men of military age who keep the weapon at home--has become the subject of passionate discussion even in the planning stage. This surely is not beneficial for the defense policy. DIE WELTWOCHEN has obtained exclusive documents from the Defense Ministry which justify questioning by technicians about the forced replacement of the present 7.5-mm-caliber assault rifle (AR) with a 5.6-mm-caliber one.

"Confidentially," reported Joerg Zumstein, chief of the General Staff, on 8 October 1982 to the political leader in the Swiss military department, Georges-Andre Chevallaz, for transmittal to the government at large, a highly notable finding: "The assault rifle 57 in current use will be an excellent weapon in a ballistic respect for several years to come." From the viewpoint of financial bottlenecks the conception exists "in various agencies of the department" that there are more "important problems" than the replacement of the assault rifle 57.

In fact, field commanders are increasingly opposed to the project to replace the present 7.5 mm assault rifle by the 5.6-mm-caliber "SG 541" of the Swiss Industrie-Gesellschaft (SIG, Neuhausen), the winner in a competition with the State Waffenfabrik, Bern. The directors of the defense agencies approached for their view of the situation were uniformly opposed (see box: "Replacement is not urgent...")

Of course the heaviest fire came from the "Project Leader, New Assault Rifle." On 29 September last year, General Robert Treichler, the infantry weapons chief at that time, expressed his final opinion (file No 503.0.2, "Confidential") with a definite no: "For reasons of priority and financial considerations I request the retention of the 7.5-mm-caliber (assault rifle 57)."

For the armaments committee--which is composed of the General Staff and the training and armaments chiefs--Treichler stated in writing that from a military view, replacement of the assault rifle 57 "was not a top priority" since this weapon system fulfills "all conditions with regard to tactical range, effect on target and sturdiness on a present or future battlefield." The former head of the infantry admitted that the SG 541--now called the Assault Rifle 90 by the Defense Ministry--is superior to the AR 57 with regard to mobility, weight and applied technology, but the question for him is whether the present advantages and some unavoidable disadvantages will actually justify a change in the caliber, which has brought on the high costs of the new weapon.

Treichler answers himself: "A change in caliber has a significant effect on the military budget for the 1980's and 1990's. More urgent procurement projects could thus suffer either by being deferred entirely or by being only partly completed." In addition he cautioned, one should not "prematurely block the path to a weapon system with cartridgeless ammunition."

General Treichler's arguments coincided with those of the individual project leaders. For instance, Alfred Zedi, chief of the Section on Armaments and Equipment in the Group for General Staff Services and a colleague of Corps Commander Zumstein, came to the conclusion that retention of the AR 57 is the "most cost-effective and militarily most feasible solution" since the project for a new assault rifle does not have "top priority" among the retrofitting needs.

Experts Were Ignored

Colonel Josef Buehrer, responsible for the assault rifle matter for the Training Group and commander of the Organization and Training Department under Corps Commander Mabillard, stated: "It would be better to wait until a rifle with cartridgeless ammunition became available. At present one cannot tell whether procurement of the new AR is a good idea, only to find out 1 to 2 years later that its technology is outdated. The Defense Ministry cannot afford such proceedings, both politically and financially."

The group of opponents also included Col Hans Hartmann, chief of the Section on Special Services which specified that the AR 57 was fully satisfactory when fired at targets at a 300-m range: "Under existing conditions until 1990 we will not need a new assault rifle and can pursue appropriate weapon developments."

The experts were ignored. The Armaments Committee and Commission for Military Defense--composed of the corps commanders--overruled their report, laid it in the wasteheap of history and turned with evident enthusiasm toward a rapid procurement of the SG 541. Now the question naturally arises why project management and executive management were used if their sole purpose was to feed the archives of the Defense Ministry.

They began last year to steer full steam ahead into chaos when the Federal Council decided to approve a proposal by the Bern SVP [Swiss People's Party] National Council--and by major of the Mountain Infantry--Adolf Ogi which requested the introduction of a new assault rifle soon, at least for selected troop units (armored infantry, mountain troops, parachute grenadiers). Federal Councillor Chevallaz did not want to retreat one step, although Chief of the General Staff Zumstein also reported to him that the Defense Ministry would not have to request a new weapon system until "after 1995" (!) in case the AR 57 were still being produced and that a certain number of present small arms "would be sufficient" for our soldiers: in 1995 a large number of weapons in current use would be "at the end of their service life." The National Party itself, now led by the Zurich National Councillor Rudolf Reichling who, inticingly enough, signed the Ogi proposal, has switched over to the opposing camp.

But above all, Councillor Chevallaz does not want to have the plans disturbed by the revolutionary G-11, a rifle developed by the German firm Heckler & Koch which fires cartridgeless 4.72-mm ammunition. The proposal from Oberndorf to provide the Defense Ministry with more details about the system, provided a "secrecy agreement" could be kept, was smashed in Napoleonic fashion on 28 October 1982 when he wrote: "I will have your proposal examined by my colleagues and communicate with you again if necessary."

The Army Does Not Want a New Assault Rifle

The rulers in the Federal Office East did not care the slightest that the Office for Defense Technology and Procurement of the West Germany Army can present today an introductory plan for the G-11 which includes both American and French participation in a 1983 trial of the weapon. Roma locuta--causa finita; Rome has spoken--the matter is finished. Shoulders together, eyes closed and plow forward is now the attitude in the Defense Ministry.

Whether the Military Commissions of the State Councils will simply devour the 180 million francs for the new assault rifle--SFr 83 million is needed for the zero series (2,000 units) and the first lot (13,000 units), SFr 97 million is for the purchase of ammunition and SFr 95 million is needed for new facilities at the Thun munitions factory and the Wimmis powder factory--is not initially the question. They will then not be able to cut off the process by decree, if they rely not only on the greatly indulgent text of the embassy, still in press, but rather request the documents available to WELTWOCH.

These internal documents from the Defense Ministry clearly show that the army itself never reported the need for a new assault rifle; rather the emphasis of its future expansion was quite different. Examples are the new battletank, the regimental-level AT [antitank] capability, the combat helicopter and a one-man AA [antiaircraft] missile. But the Group for Armament Services (GRD) is of the opinion that about every quarter century, a new small arms weapon is due. They let the train leave the station

rather arbitrarily, which is why the Defense Ministry today is in a strait jacket from a financial standpoint: SFr 27.248 million have been thrown out for the development of the new assault rifle; 4.75 million will be sent along later for the purchase of domestic-made ammunition.

SFr 132 million would have to be allocated, according to a report by project leader Treichler, in order to produce around 60,000 AR 57s in connection with the production run and would continue until 1985 for a total of 109,000 weapons in order to surmount the coming bottleneck in personnel from years with low birth rates. Such a procedure would permit the enormous investments for the new rifle to be extended chronologically and brought into harmony with the expansion needs of the Swiss army. The debate is not about insignificant matters; rather we are dealing with a total expenditure of at least SFr 1.4 billion; the first two large production runs of 150,000 units each for the armaments programs 87 and 90 are already projected at 380 and 350 million, respectively.

In one regard, Mr Treichler was able to achieve some success: the shortened Corps material weapon was dropped, which, if one follows a publicity memo appearing recently by the manufacturer, SIG, apparently had not come to his attention. Due to the relatively poor hit accuracy and a very limited penetration of steel, which technicians compare to that of a hand grenade, the rifle's hollow-point projectile seems to have dropped out of contention: the military planners find a solution at the moment in a "disposable weapon" for close-range engagement of tanks, as is being offered, for example, by Belgium and the FRG. Probably the steel and smoke projectiles will be retained.

Ammunition To Be Imported

Perhaps Federal Councillor Chevallaz believes that a new assault rifle will contribute toward helping Swiss industry and a recovery. But this is not at all the case since detailed plans have not been signed nor have contracts with subcontractors been concluded; the weapons planned within the framework of the armament program 83 will not be delivered until 1988/89. Even though there will be some short-term economic benefit, another series of the AR 57 will have to be produced because all over the country there are facilities for its use.

The forced procurement of the SG 541 seems completely unsatisfactory. For instance, the question of an accompanying weapon, previously the machine-gun, has not been resolved. And in spite of original planning, bottlenecks in weapon availability will be bridged by "combing out" around 13,000 AR 57s from persons subject to military service. Officers and enlisted men of certain branches of the service (e.g., soldiers in supply units) should be equipped with pistols or the older combine 31. The additional unfortunate consequence of forced introduction is that different caliber ammunition will have to be used for many years in the training schools and in combat units.

The Defense Ministry is using all its forces to prevent the production of a large series--as formerly occurred for the AR57. From an ammunition standpoint the problems are obvious: only by importing is the army able to obtain the needed projectiles. Whether the situation will take a turn for the better is unknown: "A final evaluation will not be possible until after the middle of 1983. The technical development risk for the primary ammunition types for the 5.6 mm-caliber is considered to be large. The technical maturity of the ammunition cannot be clarified today."

So we will have to dig deeper into our pockets for the new ammunition: the ordinary rifle cartridge 82 for the new assault rifle is 16 percent more expensive than the present GP11; the tracer cartridge is 17 percent more expensive. Laconically, project leader Treichler noted: "The ammunition prices were not known to the state militias at the time of evaluation of the new weapon system."

9280

CSO: 3620/274

AEROSPATIALE V.P. TALKS ON FIRM'S INTERNATIONAL STRATEGY

Paris AEROSPATIALE in English Dec 82-Jan 83 pp 3-6

[Interview with Gerard Hibon, Senior Vice President (International Affairs)]

[Excerpts]

A. AUTRUSSON — In 1981 Aérospatiale had a turnover of more than 16,000 million francs, over 50% of it for exports. What are the major principles governing the Group's policy?

G. HIBON — To ensure its present and future prosperity, Aérospatiale must be able to control the international environment by which it lives. Government orders are inadequate to provide the workloads for all the company's divisions.

The goal of Aérospatiale's International Affairs Directorate, known as DGE, which has just been reorganized, is to match the Group's capabilities to this international environment at all times. This in turn requires that we should be capable of fully controlling our short, medium and long term actions.

In the short term, we need to orient, follow and sometimes oversee our marketing actions in various countries in connection with the hardware that is part of Aérospatiale's assets. These involve multiple changing operations.

The medium-term goals are to prepare our marketing strategy in an international environment with which we have to be totally familiar. Not only must we keep informed at all times about all the commercial possibilities in the world marketplace for our civil or military products, but we must also prepare for the actions in support of Aérospatiale's proposals.

And one of the major functions of long-term DGE actions is to guide our divisions on the choice of markets, on the necessary evolution of our products, on the competition and on the economic changes taking place in regions where we have potential customers. We must take stock of trends in the competition. All this requires us to have technicians capable of assessing this evolution that is necessary to remain competitive.

Q. Aérospatiale has about 100 customer countries. You are in constant touch with foreign governments and their diplomatic corps in France. What degree of importance do you attach to the company's image in these countries?

A. To begin with, we need to have precise information about the situations of potential customers, i.e. their economic situation, their budgets, their military situation, their social situation. All these factors govern the extent to which one can hope either to implement such classic commercial operations as helicopter, missile or airplane sales, or to establish ties of the kind that have become frequent in industrial cooperation, namely the sort of industrial cooperation to which Aérospatiale has long been committed and which imparts great novelty to its activity. Cases in point are the programs which we share with our partners: in civil aviation with Airbus Industrie, tactical missiles with Euromissile, satellites with Eurosatellite. Other examples are associations with

foreign partners, in which Aérospatiale agrees to consider authorizing the local manufacture of products for which it assumes responsibility. And then again we have the granting of licenses, or industrial associations of the kind concluded with China, India, Brazil and Egypt for example.

This approach to problems is a natural complement to commercial relations, which may be restricted occasionally when one is dealing with partners on a relatively high technological and industrial level. Aérospatiale's high-technology image stems not only from the products spawned by its design departments and its factories, but from this acceptance of industrial cooperation. Because of the confidence we place in the ability of our teams to dialogue with other teams of foreign engineers or financial experts, we show that Aérospatiale is a Group capable of adapting to and anticipating the pattern of evolution of industrial relationships on the marketplace.

Q. Your activity is exercised in collaboration with the ministries at the Quai d'Orsay, the rue Saint-Dominique, the rue de Rivoli, Quai Branly, rue de Grenelle and Boulevard St-Germain. What support do you get from these ministries?

A. The first step in controlling an international environment is to correctly perceive the roles of the various ministries and French government organizations in defining relations between France and foreign countries. This is one of the important tasks of our top management that needs to be underscored. It involves this continuous process of adapting Aérospatiale's activities to established political lines and to the fruit of contacts with the major overseeing ministries, namely the ministries of defense, foreign affairs and finance; also involved are technology transfer or offset manufacturing possibilities, the political authorizations this involves, and the funding connected with it. Aérospatiale's role is not just to serve as the executive outlet for the stances adopted by our overseeing ministries, but to also get the right information out at the right time. And it is in a spirit of continuous consultation that such relations can be fruitfully established. We receive a lot of information from the state, the ministries, government departments and research organizations which helps to sustain France's resolve to project our technology abroad.

But we in turn must give these ministries and organizations instant information about trends noted among our partners and their requirements. It is a non-stop job to maintain this dialogue with all our ministries and government departments. As you can imagine, there are several of them and a diversity of regions in which to operate, and the political trends in these regions and countries vary greatly. The picture, at any given time, of the relations between France and any given region or country is in constant flux. Our top management, however, is endeavoring to make as accurate an analysis as possible.

Q. Aérospatiale needs to have substantial export sales in order to live. Speaking in terms of the GNP or politico-military preoccupations, are there any preeminent marketing regions?

A. By the very nature of things and the weight of history, there are regions which have played and will play a leading role for French exports. This applies equally to Aérospatiale products. We have a Europe-oriented vocation because we happen to be in Europe and have known our neighbors for a long time. And this is why international cooperation has been built up around cooperative ventures in Europe: with the British for helicopters, with the Germans for missiles, with the British and the Germans for second-generation missiles. However, it must be admitted that we have lost some ground in Europe as regards exports of our hardware, though of course this does not affect Aérospatiale only. This has to be admitted, albeit regretfully. The commercial situation of French equipment among European armed forces has fallen significantly over the last 15 years. American competition is extremely fierce. Our US competitors enjoy a select position on European military markets within the framework of the NATO unified high command. We have no intention of accepting this as inevitable, however. It is our wish to be present on European markets both by realizing commercial sales and practicing a policy of active industrial cooperation. We have demonstrated our will and ability to achieve this dual approach in the northern as well as the southern European countries.

Any allusion to preeminent markets naturally brings to mind the Middle East.

This is a *de facto* situation of which Aérospatiale has been aware for some years like many French companies committed to exports. French policy towards the Arab states for the past 15 years has opened up some very big markets for our civil and military equipment. As far as we are concerned, the Airbus, missiles and helicopters are the chief products which we have sold in large numbers to Arab countries in North Africa and the Middle East alike. This concentration of sales in a particular geopolitical region is sometimes viewed as a weakness of our marketing apparatus, but no good will come from worrying about it. Above all, we must maintain and consolidate our presence in this region so vital to our security and interests.

We also have ambitions in more distant regions of South America, Africa and Asia. To begin with, we have historic ties with certain countries like Brazil and a number of African states for instance. People there have become accustomed to our equipment. And in Asia we are engaged in a very big marketing drive designed to promote our products, for many countries in that part of the world are perceived as the focal points of long-lasting growth. Aérospatiale has recognized this and wishes to strengthen its presence there.

So as you see, we have a European zone which is important to us and which must remain so. We also have a Near Eastern zone that must continue to be an important market. However, we are by no means neglecting the other regions of the world. Our resident offices in Latin America, Abidjan, Singapore and Japan are proof of Aérospatiale's wish to make its presence felt on the major markets. A Group like ours cannot afford to specialize in any single region. We have ambitions on a global scale because competition has become worldwide.

There is no strictly regional competition, so that we must place ourselves on all the world's markets. Moreover, if we are to conduct both a sales policy and a policy of full employment and positive results, it is essential not to have all one's eggs in one basket. Any sensible housewife knows this.

Q. All contracts involve some degree of risk, so how do you assess them and how do you make sure they are being honored? Some countries demand some kind of offset rights, and in that case are the negotiations conducted by Aérospatiale alone?

A. A degree of risk is inherent in any commercial deal and this is taken into account when we decide to submit a commercial proposal to a particular country.

In any deal, of course, one must seek the best compromise between our own interests and those of the buyer since no deal can be made until the two parties reach agreement.

Obviously, the assessment of the risk involved will depend on several parameters: solvability aspects, the position of our product in relation to the competition, and the extent of our eagerness to penetrate a given market. This complex analysis has to be made at the outset of any deal and has to be reappraised in due course to suit changing factors and criteria. A purchasing country will often wish for or insist upon compensation before placing an order. In fact this is a growing trend which is posing problems for us. There are usually two reasons for such demands for offset compensation: the wish to achieve a balance of payments or, more frequently, to make a purchase abroad the occasion to set an industry in motion through gradual technology transfers. In such cases a particular Aérospatiale division may need the whole Group's support in order to find the sufficient compensation required.

On the European markets, for instance, it is almost impossible to sell a product without arranging for very extensive commercial and even manufacturing offsets, and this is particularly difficult to arrange in that Aérospatiale is first and foremost a project integrator with few means of exerting pressure on long-standing subcontractors and suppliers to get them to consent to international cooperation.

Q. All sales entail a funding scheme. How is this worked out with Aérospatiale's central administration and financial department?

A. As you know, one of the parameters entering into any successful negotiations is indeed the financing problem and the payment terms, which must form an integral part of the commercial proposals.

From DGE's point of view, the most important thing is to appraise the importance of the financial aspect in any deal to be negotiated.

The second factor is to be accurately informed about the competition and what the previous practice has been with similar deals. The customer needs to be offered a financing scheme that has a chance of being competitive.

DGE often consults our experts at the central administration and financial directorate.

Thanks to our contacts with the authorities in foreign countries as well as in France, we have a reasonable amount of information to enable us to assess the situation.

The financial risk we incur is almost always a big one, for even with the cover provided by COFACE, companies nevertheless have to shoulder some of the risk themselves.

Thus the political, commercial and financial factors involved have to be integrated on a case-by-case basis. No single factor can be isolated from the negotiations, and it is this overall task of synthesis that makes DGE's work so dynamic.

Q. Your department has a number of resident offices (RO) abroad. What are their duties and how do you assess results?

A. Aérospatiale has ten ROs abroad — actually a big delegation in the United States and nine offices around the world. This took some time to set up, but of course a company like ours which relies more and more on its foreign operations cannot afford not to extend its representation abroad.

It is hardly necessary to underscore the scale of our representation in the US, which is fully justified by the role which this great country plays in aviation and space. We also have an organization for watching over and acting on the principal markets around the world: in South America with two offices, located in Mexico and Brazil respectively; in Black Africa at Abidjan; in the Near East, a major market for the Group, where we are represented in four different countries; and lastly in Asia where Aérospatiale has a chain of resident offices extending from Pakistan through Singapore to Japan.

As you will have noticed, Europe, because of the proximity factor and the many ties which have been forged, has representations organized on a different basis, though of course the Group has specialist teams in the UK and West Germany. This permanent presence of the Group abroad is an essential element of our strategy, which the Group has made us responsible for organizing and maintaining.

The tasks of these resident offices are numerous and easy to imagine, namely representing Aérospatiale and all that makes it up in a particular foreign country, gathering the information of all kinds essential to our operations, setting up extensive relations and useful contacts, and following and assisting the sales operations of our divisions and subsidiaries.

The results which these offices obtain for the benefit of the Group obviously depend on the caliber of the men required to carry out the many delicate missions involved, and on the whole Aérospatiale has found it extremely useful to have feelers of its own abroad. In fact it is quite likely that these resident offices will follow the Group's expansion on foreign markets, since this is one of the basic tenets of our strategy.

EAS DEVELOPS NEW COMMUNICATIONS, ELECTRICAL EQUIPMENT

Paris AEROSPATIALE in English Dec 82-Jan 83 pp 20-21

[Text]

In view of the difficult times being experienced by the air transport industry, Electronique Aérospatiale (EAS) has adopted a market selection policy based on a technological breakthrough. Relying on its technical know-how acquired in recent years, EAS is endeavoring to revive sales by redirecting its development and production work over the past several months.

By applying strict selectivity to its products, EAS has concentrated on equipment for which its expertise cannot be called into question. It has recently introduced a new line of digital control boxes intended for the latest aircraft employing digital links to ARINC Standards 700 and 429, the main target being the Airbus A310, on the first two of which it has already been installed. (It should be noted for the record that the Boeing company develops its own control boxes for its new-generation aircraft and is therefore in principle untouchable.)

FROM CONTROL BOXES TO TRANSCEIVERS

These so-called third-generation boxes, intended for controlling the frequencies used by communication and navigation transceivers, are of six different kinds [VOR/DME, ADF, HF, VHF, ILS and ATC (*)]. They are designed around three basic printed-circuit cards (power supply, input-output and processing), the

specific function of each box being provided by suitable software. However, in addition to these three basic cards, which represent the most novel feature about this new range, other no less attractive innovations are offered as well. These include nonemissive dichroic liquid-crystal displays in white against a dark background (this is in response to the many complaints by cockpit crews about eye fatigue produced by previous displays), adjustable-feel frequency selection buttons (pilots prefer to retain the "positive click" when frequency digits are selected and displayed), and the infrared optical encoder developed entirely by EAS. The whole system is controlled by an 80C35 CMOS type microprocessor. Everything has been done to make this product line exceptionally reliable (the guaranteed continuous troublefree operating time is between 8,000 and 10,000 hours, depending on the type of box, thus significantly reducing maintenance costs).

In addition to this new range, which is expected to be the "bread and butter" line, EAS relies on products which have been proven over the years but have since been updated, such as the V/UHF-AM

and UHF-AM tactical communications systems of the TRM 920 family, still in wide demand. EAS now offers three different models in a man-portable version that is currently the most compact model available worldwide for that particular frequency band, plus vehicle-mounted or fixed ground station configurations involving the addition of a 20W power amplifier which considerably increases the equipment's operational range. This transceiver, which can operate in the 118-149.975 MHz and 225-399.975 MHz bands as well as in an extended 100-156 MHz range, thereby filling most military or paramilitary operational needs, is produced at the rate of 30 units each month and is one of the best-selling EAS products on export markets.

ASSURANCE AGAINST POWER CUTS

Electrical equipment is another leading field at EAS thanks to the diversity of dedicated aeronautical products (windshield systems, temperature regulators, onboard power supplies, warning generators, landing-gear control logic systems, etc.) and its industrial products (converters, inverters, batteries and charging units, backup power supplies). Moreover, the introduction of the non-interruptible type 500 VA backup supply, known as the ASR 502, embodies EAS expertise in this field. This type of power supply is capable of protecting industrial equipment against power cuts as well as providing complete immunity against line "garbage" of all kinds, such as interference, voltage spikes and other voltage fluctuations. The very good overall efficiency (over 73%) obtained with this system thanks to the use of frequency chopping techniques, coupled with a very much smaller size and lower weight by comparison with other equipment being offered by manufacturers, translates into considerable operational possibilities.

MARKETING OF THE ATAL SYSTEM

In another field altogether, manufacture and marketing of the ATAL system (a French acronym for television equipment for light planes), developed a few years ago by the Space and Ballistic Systems Division, have been entrusted to EAS. The system uses a TV camera to transmit video images in real time to a ground station and is intended for use on helicopters or light planes for aerial observation purposes.

The TV camera, which can be swivelled in elevation and azimuth, is mounted inside a streamlined pod carried outside

the aircraft. In addition to the camera, the pod contains a 15W FM television transmitter located in the rear. A control box in the cockpit, along with a video monitor mounted on the instrument panel, complete the aircraft installation. A cassette video recorder with a capacity of three hours' recording permits subsequent analysis of the recorded images. The transmitter's range is over 80 km for a flight altitude of 3000 feet. A color TV camera is now being made available by EAS. Originally installed on a Socata Rallye plane, the ATAL system has been certificated on the Gazelle helicopter. On the occasion of the recent Farnborough show, it was also installed beneath the nacelle of the Skyship 500 built by Airship Industries, the British company, and it was also demonstrated in flight between Orly and Roissy airports on September 28 last in the presence of several VIPs interested in the potential applications and the versatility of such a system.

SEARCH AND RESCUE

Lastly, EAS is participating in the SARSAT program (**) initiated in 1976 by the US and Canada, the purpose of which is to facilitate search and rescue

missions in the air or at sea by means of transiting satellites using the 121.5 MHz and 243 MHz beacon transmissions, as required of aircraft and certain classes of ships. In 1977 SARSAT was extended to France, on the basis of the SARGOS concept proposed by CNES, the French space agency. SARGOS is a complete space system that provides worldwide coverage and consists in using new distress beacons transmitting on 406 MHz. As project integrator, CNES has issued a contract to EAS for the design and development of aviation-type distress beacons. Two prototypes developed at EAS have meanwhile been delivered to CNES, with a further 20 preproduction beacons due to be delivered from December 1982 onward. In another development, EAS is to supply two beacons to equip the "K-Way" sailing vessel to be used on the national polar expedition.

In order to accomplish this technological change with the help of the teams of specialists set up in its design department, EAS has chosen three major fields: cockpit systems, notably featuring control boxes; electricity generation and conversion, using compact high-efficiency systems; and radio communications equipment, with the introduction of new techniques.

The company's main thrust over the next several years will be made in these three areas of activity

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- (*) VOR : VHF Omni Range
 - DME : Distance measuring equipment
 - ADF : Automatic Direction Finder
 - ILS : Instrument Landing System
 - ATC : Air Traffic Control

(**) Search and Rescue Satellite Aided Tracking

CSO: 3500/18

FACILITIES, ACTIVITIES AT AEROSPATIALE SUBSIDIARIES

Organization

Paris AEROSPATIALE in English Dec 82-Jan 83 p 10

[Article by Pierre Magnani, Director, Group Subsidiaries and Holdings, Aerospatiale]

[Text]

Aerospatiale has stock holdings in some forty manufacturing and training companies and a few real-estate firms (mostly in connection with aid to construction). Of these, the most important subsidiaries in the legal sense of the term are Aérospatiale Helicopter Corp. (A.H.C.), Socata, Socea, Seca, EAS, Maroc-Aviation (in which the Aerospatiale holding in greater than 99.5%), Sogerma, Samaero and Sic (for holdings between 80% and 50.3%).

The total financial commitment, i.e. the sum of the gross values of inventory items and of the various loans and advances granted by Aerospatiale for these holdings, is currently about 850 million Francs, two-thirds of which is involved in the subsidiaries listed above.

The magnitude of this commitment, which has been growing very rapidly in recent years, explains why Aérospatiale's top management decided to create a Subsidiaries and Holdings Directorate known as DFP, whose role is to ensure the current and future profitability of this commitment for the Group as a whole, with the notion of profitability extending here beyond the strictly financial domain to include technical, industrial and commercial interests. Conversely, as part of the support which Aerospatiale owes its subsidiaries — since it is often at once their customer, their supplier and even their banker — DFP represents the point of entry for applications of all kinds from the company's subsidiaries.

For the purposes of quick analysis, the fields of activity of the Aérospatiale Group's subsidiaries can be divided into four main headings:

1. *Subcontracting*, in a particular area of the aeronautical industry: Socata and Socea.
2. *Maintenance*: Sogerma, Seca and Maroc-Aviation.
3. *Electronics*: Siela and EAS.
4. *Product marketing abroad*: AHC and Samaero.

The first two are probably more the result of quirks of history than of a deliberate recent choice — which is not to say that they are devoid of interest. For Socea's and Socata's products fit conveniently into the Aérospatiale Group's joint effort, being supplements to the company's product lines, sometimes to the point of generating difficult problems of overlap. In addition, because of the quality and price of their services, these two subsidiaries are unquestionably the most competitively placed of all major French subcontractors.

As for maintenance, a basic requirement is that the Group should be able to follow up its products among customers, analyze their behavior and compare it with that of others by doing as much practical work as possible on such products.

These maintenance subsidiaries are properly organized to supplement the product support provided by Aerospatiale's different divisions.

Implantation Abroad

The growth experienced in the last two fields of activity which has been almost entirely responsible for the Aerospatiale company's significantly increased financial commitment is justified by two things.

First, for some years now it has been increasingly evident that Aerospatiale products incorporate, in terms of sheer value, more and more electronics and software-based systems and less in terms of traditional structural work and equipment. Consequently, if the company failed to prepare for this evolution it could find itself ultimately deprived of prime contractorship over major aerospace systems. And this evolution explains the associations with SFENA and Crouzet whose expertise in electronics and data processing is internationally recognized.

In the second place, where foreign sales are concerned, setting up Aerospatiale controlled companies locally is the best way of selling the company's products, Aerospatiale Helicopter Corporation provides a striking example.

This subsidiary, which employs nearly 700 people in Dallas, handles helicopter sales in the United States and Canada. It also carries out assembly and testing, mainly for cost reasons. Its financial results can be summed up as follows: a sales figure which has increased from 19m dollars in 1976--the year AHC was formed--to 121m dollars in 1981. In terms of numbers of helicopters, this represents a share of the US market which has risen from 8 percent to nearly 20 percent over the same period.

To return to the original question, it would doubtless be optimistic to conclude that Aerospatiale's subsidiaries have found exactly their right places in the complex pattern of the company's industrial, commercial and financial strategy. Nevertheless, three assertions certainly provide a realistic and adequate, if less ambitious, answer.

First, these subsidiaries are engaged in industrial activities that are invariably consistent with those of the parent company and sometimes helpful for its future growth. Second, they supplement and further extend the activities of the company's divisions. And lastly, with one exception, they have stayed in the black.

Admittedly, overall efficiency needs to be improved still further. This remains a permanent goal which has assumed paramount importance in the difficult context of the coming years.

Maintenance at Sogerma, Seca

Paris AEROSPATIALE in English Dec 82-Jan 83 p 11

[Article by Michel Thomas, Chairman and Chief Executive of Sogerma and Seca]

[Text]

Aeronautical maintenance and overhaul work represent an area of activity in the aerospace industry whose importance needs to be underscored, it seems to me, both because of the role it can perform as part of the joint activities of a conglomerate and because of the technical potential it implies. The Aérospatiale Group is the only one in Europe to have two subsidiaries which, as it happens, specialize in this field. *(The managing directors of Seca and Sogerma discuss these two companies and their respective potentials elsewhere in this issue. Ed.)*

There is insufficient space for me to enlarge here on the varied tasks which these companies perform for our group as a whole. Sogerma handles major French military contracts and large aircraft, while Seca specializes in engines, smaller civil and military aircraft, and helicopters. The two companies have in varying degrees the ability to handle the associated equipment as well.

I shall therefore confine myself here to discussing two essential aspects of the activities of these companies. One is the vital need to extend the quest for markets far beyond our own national borders. Both military and civil aircraft fleets are based on machines of ever higher capacity and cost, thereby placing a natural limit on the number of machines to be maintained because of the limited capital available to customers. Advances in techniques and technology have made it possible to offer, by way of offsetting the initial cost, equipment of increasingly higher performance and reliability, thus correspondingly decreasing maintenance costs per flight hour. Finally, because the cost per flight hour is heavily burdened with

the rising price of fuel, one notes the strict restrictions being placed on flight hours performed, especially in military aviation.

Because these three phenomena are mutually cumulative, securing a market adequate for the livelihood of a maintenance and overhaul company can be done only by ceaselessly widening its geographic sphere of operation. From a subsidiary's point of view, the advantage of belonging to a Group of worldwide renown, that is likely moreover to have it participate extensively in maintaining its own products, is of course obvious.

The other aspect on which I would like to dwell is the possibility, because of the affiliation arrangement characterizing this form of activity, of tackling, together with the customer, problems arising out of equipment of widely differing origin foreign to the Group. Thanks to this arrangement, a subsidiary can penetrate markets where an absence of massive credits at any particular time may prevent an Aérospatiale division from establishing itself or from further strengthening its roots by introducing new equipment. By helping to maintain existing equipment of various origins operational, it contributes to making the Group's presence as far-flung as possible on international markets, by preserving cooperation ties with potential customers that are bound to help future sales. And in so doing, a subsidiary comes full cycle back to the original profit it derives from being an integral part of the Group.

In these difficult times which the aircraft industry is experiencing, I felt it was important that this special issue of Aérospatiale devoted to the Group's subsidiaries should be an opportunity for me to stress the benefits, for one and all, to be derived from the complementary operations of Sogerma and Seca and their parent company.

Paris AEROSPATIALE in English Dec 82-Jan 83 pp 12-14

[Article by Pierre Vallies, Deputy Managing Director, Sogerma]

[Text]

Sogerma is located on the international airport of Bordeaux-Mérignac and has two advanced bases: one on Paris-Orly, the other on Bangkok-Don-Muang airport.

The organization which has been set up over the past several years is geared in particular to these two specialities, making it possible to handle all maintenance problems connected with the evolution of complex fleet upkeep programs, the extensive computerization of aircraft systems, and the form of operation specific to each military or civil customer.

Industrial activity is about evenly divided between maintenance of French and foreign air force aircraft and maintenance of French and foreign airliners.

An organization dedicated to each of these areas of activity makes it easy to adapt to the operational imperatives of each type of operation.

I. MILITARY WORK: 25 JAGUARS PER YEAR

This type of work involves the maintenance of French and foreign air force aircraft. The maintenance work on Jaguar, Frégate, Fouga Magister, C 130 Hercules, and Buffalo aircraft is carried out in distinct "units".

MAINTENANCE METHODS

Working in liaison with self-contained units", so-called maintenance steering groups (MSG) define the type of maintenance to be carried out on each aircraft. On the basis of these assessments, tabs are kept on military aircraft using very strict methods that take account of operational requirements.

A policy based on sampling fleet aircraft and splitting up inspection areas leads to a rapid and complete understanding of fleet behavior in operation and

enables in-factory intervention procedures to be adapted accordingly, the object at all times being to optimize the fundamental aspects of cost reduction and improved safety.

Certain products involve a particularly large volume of work, such as the Jaguar, of which more than 25 are overhauled each year; another example is the Fouga Magister. To ensure that the maintenance operations proceed smoothly, an integrated organization has been developed with the object of defining tasks specific to each aircraft (sampling) and the associated production scheduling.

The strict running of this organization further ensures minimum downtime notwithstanding the complexity due to differences in maintenance programs resulting from samplings specific to each aircraft.

ACCORDS WITH TWO FOREIGN MANUFACTURERS

The similarity of the Transall Hercules and Fregate Buffalo maintenance infrastructure and the growing number of Hercules and Buffalo aircraft in military fleets in Africa and the Middle East quite naturally led Sogerma to handle the maintenance of these aircraft. Special agreements with Lockheed and De Havilland of Canada have meant that it can undertake work on these models under the best possible conditions and enjoy technical and logistic support from these manufacturers if necessary.

For over ten years Sogerma has been accumulating unquestioned expertise in handling the maintenance problems of airlines which operate Caravelles.

This experience is reflected in the confidence placed in it by major airlines like Air Inter, the French national carrier, and Switzerland's CTA, a subsidiary of Swissair, with periodically renewed "per flight hour" maintenance contracts.

It was therefore only to be expected that, as early as 1978-1979, Sogerma should have set its sights on the Airbus family.

Sogerma has developed its industrial base to enable it to be effective in meeting the needs of the Airbus market. Save for the engines, for which cooperation agreements have been concluded with Air France, the facilities available permit complete airframe and equipment maintenance.

CUSTOMER SATISFACTION

In the Hydraulics Division, for example, newly installed surface treatment shops and highly specialized machine-tools will back up the extensive range of existing test facilities. The latter enable Sogerma to carry out all operations involved in the maintenance of landing-gear and all hydraulic equipment.

As for avionics, important laboratories have also been set up, fully equipped with the latest instruments, the basic test system being represented by the ATEC. Such extensive resources mean that all requirements involved in the different areas of electronics can be handled.

In addition, the air conditioning and electromechanical shops have been fully equipped to handle the maintenance of auxiliary power units (APU) and other systems. The last of the test-sets needed to handle this work — the fuel control unit (FCU) tester — has just recently been delivered and now completes the wide range of test equipment specific to this technology.

Facilities ranging from conventional hangars to dedicated paint booths make it possible to carry out all maintenance operations, as well as modifications and installation work on A330 and A310 Airbus. Major maintenance jobs have already been carried out and have in some instances represented "firsts", such as the 6,000-hour and 12,000-hour Check D operation. The work of expanding the heavy maintenance resources will enable Sogerma to offer its customers the full range of services connected with the operation of A300/A310 aircraft.

SOLID EQUIPMENT SERVICE

To give its customers even better service, Sogerma has secured the approval of equipment manufacturers for maintenance work on their products, including work under warranty. Notable among these manufacturers are Messier, Garrett, Air Equipement and others. These agreements, coupled with the stocks and facilities set up by Sogerma, lead to minimum overhaul times. Moreover, a special organization has been set up to follow hardware at the factory. Thus, in the event of an urgent request, a maintenance operation can be speeded up and a delivery made in the shortest possible time.

Teams of technicians and logistics experts provide a round-the-clock service at Paris-Orly airport and are in constant touch with customers.

A similar organization exists on the advanced base at Bangkok airport. This base serves for liaison with customer airlines operating the Airbus in Southeast Asia and the Far East.

To make things even easier for airlines flying the A300 and the A310, Sogerma makes complete replacement units for A/C equipment available at these bases, and obviously the costs of subscribing to this "stock" facility is far below the individual capital outlays that would otherwise have to be made by airlines. This pooling system has therefore found wide application and is currently being extended. A wide variety of items is stocked in this way, examples being complete nosegear and maingear units.

In addition, cooperation between Air France and Sogerma concerning the A300 has been expanded to cover the A310 with the creation of a pooling system between the two companies.

This kind of cooperation means that A310 operators will benefit from the widest possible maintenance support. The spares available, which include complete turbojets, now cover all hardware. Subscriptions and fixed-sum contracts based on prices per flight hour are offered to

customers wishing to take advantage of the special facilities of a pooling system, of the operational guarantees, and of the attractive prices. This means that airlines which do not have large fleets can limit their capital outlays and operating costs and guarantee regular services thanks to constantly available equipment and specialist personnel

121 AIRCRAFT UNDER CONTRACT

The services offered by Sogerma include covering the needs of airlines wishing to purchase plant equipment to enable them to intervene directly and effectively on their own aircraft and equipment. Special contracts are offered by Sogerma as extensions of the maintenance contracts proper, the object being to gradually transfer know-how and an industrial capability to interested airlines. In such cases, the latter can be assured of being totally covered by means of the maintenance support provided by the

Sogerma/Air France pool, on the one hand, and their own workshops on the other (start-up of which is assisted by Sogerma specialist technicians).

Each contractual agreement with airlines is geared to specific needs and extends from merely maintaining and overhauling specific types of equipment, including the availability of stocks of standard replacement items, to full responsibility for maintaining the carrier's aircraft on a fixed-sum basis per flight hour. The aggregate number of aircraft (delivered, on order and options) of all these customer airlines now tops one hundred.

Sogerma's experience in airline assistance and support (i.e. the pooling system and technology transfer), the agreements secured with various companies, and the decision to cooperate with Air France serve to confirm the position of this subsidiary as the top Airbus maintenance center open to all airlines.

Sogerma is unquestionably a definite asset for the promotion of the A300/A310 today and the A320 tomorrow.

CSO: 3500/19

BRIEFS

BALTIC-ZONE TALKS WITH U.S. IN LIMBO--The talks with the Soviet Union concerning a median line in the Baltic Sea have been suspended indefinitely. That is what DAGENS NYHETER was told by Prime Minister Olof Palme before Wednesday's foreign policy debate in Parliament. Palme added: "The Falldin-Ullsten middle-party government tried last fall to get going with the talks on the median line. The talks became a weapon in the election campaign, and now it is taking time for the wounds to heal. We will eventually have to decide whether the time may have come to bring up the issue again." The talks on the median line in the Baltic Sea have been in progress since 1969. The area in dispute is a 13,500-square-kilometer zone east of Gotland that is important to fishing. Sweden and the Soviet Union signed an agreement in 1977 that neither country would lay claim to the area, which was transformed into a gray zone. In 1982, the Swedish side put forward a compromise offer under which Sweden would relinquish 8 percent of the area in dispute. The offer was later increased to 15 percent, but the talks were nevertheless broken off without any result having been achieved, and the negotiating slate is now regarded as having been wiped clean. [Excerpt]
[Stockholm DAGENS NYHETER in Swedish 16 Mar 83 p 6] 11798

CSO: 3650/140

MULTINATIONAL POLAR RESEARCH TO START IN GREENLAND, SVALBARD

Oslo AFTENPOSTEN in Norwegian 8 Mar 83 p 56

[Article by Torill Nordeng: "Biggest Ice Expedition in History"]

[Text] Drift ice that more or less forms a cover on the sea between Svalbard [= Spitsbergen] and Greenland has long been a puzzle and a challenge to polar explorers. What effect does this enormous mass of ice have on the weather systems of the northern hemisphere, and how does the ice move? This summer the biggest and most costly ice-water-air expedition in history will start in those waters. It is expected that about 30 million kroner will be used up in a few weeks in the summer. The Norwegian oceanographer Ola M. Johannessen is the initiator, field leader, and chairman of the scientific committee for 9 nations and 100 explorers.

Johannessen pulled and coordinated countless wires so that the ice-water-air interplay in the north can now be subjected to thorough investigations. The expedition has been given the name MIZEX, short for Marginal Ice Zone Experiment, and the questions the scientists want first of all to find answers to are how the ice is affected by winds, currents, waves, and heat. The roughness and thickness of the ice will also be investigated. Among other things, the oceanographers will investigate what happens when the drift ice collides with water from the warmer Atlantic Ocean current, while the meteorologists want to find out more about what sort of influence the drift ice has on the weather systems.

Long Project

It is a gigantic pilot program that is being started this summer, but in 1984 the expedition will become still more comprehensive. At that time probably 60 million kroner will be put into it. But MIZEX will not stop there. From now to 1990 the researchers will be minutely measuring the hills and examining the ice zone in the north. In the last period they are counting on its being possible to make many measurements from space by means of the European satellite ERS-1, which will be put into operation. It will sweep over the areas at fixed times and will be able to supply data that are useful both to meteorologists and to those who will navigate in these waters.

The Mysterious North

Fridtjof Nansen gave the answer to why the drift ice from the north-polar basin moves. With the measuring equipment of that time he found out that the ice moves at 1.5 percent of the wind velocity, and it moves to the right because of the rotation of the earth. "We therefore know the effect of the wind on the drift ice pretty well, but we still know little about what happens when the ocean currents work in the direction opposite to that of the wind, apart from the fact that fields of pack ice develop. These processes are the result of what is called internal ice stress, but we want to arrive at models that can combine the effects of the wind, the currents, and the ice stress," says Johannessen. He is also interested in how the ocean currents change as the ice melts.

High Technology

The most advanced measuring equipment that technology can provide will be used in the MIZEX experiment. Four remote-sensing planes will take off at regular intervals from Tromsø, Andøya, Longyear City, and Greenland and take systematic measurements of the movement of the ice in specific areas. These data will be transmitted to the Tromsø Telemetry Station, which will send the data back to the researchers that are on three vessels out in the field.

The researchers will also use advanced buoy equipment that can measure wind and current conditions. The data from a total of six buoys, each costing 200,000 kroner, will be picked up by a satellite. For the time being the data will be received at a center in France. From there they will be sent by teletype to the Tromsø Telemetry Station, and will finally be in the researchers' hands about 24 hours after the measurements were taken.

The weather forecasters in Tromsø will assist the researchers with special forecasts, while the researchers for their part will contribute with observations from the field.

Besides the planes and vessels, four helicopters will be available.

"The advanced equipment that will be used, together with the fact that the expedition is taking place in a very inaccessible region, will make the whole thing very costly. From Norway we are getting financial support from NAVF [Norwegian General Scientific Research Council] and NTNRF [Norwegian Council for Scientific and Industrial Research], and the Norwegian Polar Institute and the University of Bergen are furnishing researchers and vessels," says Johannessen.

Mr MIZEX

Now, 3 or 4 months before the research group takes to the ice, it is mostly all set, with the scheduling down to the hour when a plane will take off from the continent and which researchers will measure what at specific places. "With detailed planning we are more confident that the whole expedition will be what we want, a basic research study in the drift ice," says Johannessen.

Since Johannessen presented his ideas about a MIZEX expedition in the ocean area between Greenland and Svalbard at Voss in 1980, he has been in contact with researchers all over the world. Colleagues in the United States, Canada, Denmark,

France, the FRG, Switzerland, Iceland, and England have sent in their plans and Johannessen has coordinated the whole thing from his office at the Geophysical Institute at the University of Bergen. It is therefore not surprising that more and more people are asking for Mr MIZEX.

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